

THE GLOBAL NEWSPAPER
Edited in Paris
Printed Simultaneously in
Paris, London, Zurich,
Hong Kong and Singapore

WEATHER DATA APPEAR ON PAGE 14

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

J.D.A.

No. 31,144

PARIS, SATURDAY-SUNDAY, APRIL 9-10, 1983

ESTABLISHED 1887

Kohl Plans to Urge U.S. Flexibility on East-West Trade

By William Drozdak

Washington Post Service

BONN — The government of Chancellor Helmut Kohl is deeply concerned by President Ronald Reagan's apparent intention to press for new curbs in East-West trade at the Williamsburg summit and will seek to change his mind when Mr. Kohl pays a one-day working visit to Washington next week.

Chancellery and Foreign Ministry officials said Friday that another confrontation on East-West trade could harm the Western alliance even more than last year's imbroglio over the Soviet natural gas pipeline.

They would prefer to focus the agenda on global economic issues like high interest rates, improved world trade and debt problems of developing countries.

Seeking to defuse the controversy before the May 28-30 summit in Williamsburg, Virginia, Mr. Kohl hopes to convince Mr. Reagan that the alliance cannot afford to bear strains over trade at a time of rising tensions over the prospective deployment of medium-range nuclear missiles later this year, Bonn sources said.

When he confers with Mr. Reagan next Friday at the White House, Mr. Kohl also is expected to urge the United States to show continued flexibility at the Geneva arms talks and not be deterred by the recent Soviet rebuff of an interim solution proposed by Mr. Reagan last week.

The West German officials said Mr. Kohl would encourage the United States to explore further compromises by allowing the U.S. negotiator, Paul H. Nitze, the freedom to initiate his own negotiating ideas when the Geneva talks resume next month.

A senior chancellery aide said that the rejection by the Soviet foreign minister, Andriy A. Gromyko, "did not close all doors."

He said that maybe Moscow wanted to show it can be amenable to turn-down offers at the United States in rejecting proposals by the Soviet leader, Yuri V. Andropov last December, "so we are not all that pessimistic."

The Bonn government is worried that Mr. Reagan plans to press for agreement at the summit on a broad range of trade issues with the fast bloc by expanding the powers of the Paris-based Coordinating Committee on East-West Trade, known as Cocom, to prevent the flow of high-technology goods to the Soviet Union and East bloc countries.

Washington argues that Western high-technology exports, especially in the field of microelectronics, have aided the Soviet Union's nuclear rearmament and forced the West to spend exorbitant sums on defense to counter expanding Soviet military power.

Bonn has agreed to improve the system of controls on strategic goods, but not to the extent that it would disrupt normal trade with the East. On Thursday, Economics Minister Otto Lambdorff warned that Mr. Reagan's proposals could further impair the weakened state of world trade and lead to greater unemployment in Europe.

West German officials said that White House persistence on the East-West trade issue could threaten to undermine the summit by forcing a confrontation over an insoluble topic while distracting participants from achieving progress on more vital world economic problems.

A Bonn foreign affairs official said: "It's just not possible to get an agreement right now. We have study groups looking into the East-West questions and the work should be done at that level and not at the summit."

Government officials also stressed that trade with the East has receded in importance since Western bankers and businessmen have become more cautious about lending or trading with a number of East bloc countries, such as Poland and Romania, that have incurred enormous debt problems in recent years.

The Reagan administration is seeking to impose tight controls on the export of computers, robots and software to the East and is reportedly planning to block U.S. licensing if an accord within the alliance cannot be reached.

The French government also has protested strongly against stricter regulation of technology transfers, but Bonn has redoubled its efforts to minimize the East-West trade dispute because the Kohl government is troubled by the spate of transatlantic conflicts on economic issues such as the European security debate is reaching a fever pitch.

The European Community has accused the United States of isolating its traditional export markets by offering to sell subsidized flour, dairy goods and poultry. The United States, however, claims it is only adopting the same selling tactics that the Europeans have practiced for many years.



SPACE WORK — As the Earth glows above him, Donald H. Peterson studies the side of the shuttle Challenger in the first U.S. spacewalk since 1974. Page 3.

Senate Budget Panel Cuts in Half Reagan Request on Military Funds

By Edward Cowan

New York Times Service

WASHINGTON — A bipartisan majority of the Senate Budget Committee has approved a 5-percent increase in the military budget for fiscal year 1984, just half the increase that President Ronald Reagan had insisted was necessary for the nation's security.

The vote Thursday was 17-8. Eight Republicans, including the committee chairman, Pete V. Domenici of New Mexico, joined nine Democrats in voting for the 5-percent increase. Four Republicans voted against it.

Larry M. Speakes, the deputy White House press secretary, said Friday that Mr. Reagan remains firmly committed to his proposal for a 10-percent increase despite the committee action. United Press International reported from Washington.

It was the committee's first major decision in its drafting of a congressional budget resolution for the next fiscal year, which starts Oct. 1.

The committee will take up taxes and nonmilitary spending next week.

Mr. Domenici announced that he would vote for the 5-percent increase minutes after taking a telephone call from Mr. Reagan. By that time, it was apparent that a bipartisan majority supported the 5-percent figure.

In announcing his decision, Mr. Domenici said he hoped "to see some bipartisanship support for reducing the rest of the budget." That was a plea to Democrats to vote with Republicans for reductions in nonmilitary spending.

His comment drew a quick response from the ranking Democrat on the committee, Senator Lawton M. Chiles Jr. of Florida. He agreed with Mr. Domenici and added a hope for bipartisan voting on revenues, a plea for Republican support of Democratic proposals to raise more revenue in 1984-1985 than Mr. Reagan desires.

Coming in a committee controlled 12-10 by Mr. Reagan's own party, the action was the most serious setback the president has suffered on budget matters since taking office. One committee member, Ernest F. Hollings, a Democrat from South Carolina, was absent.

Within an hour of the vote, the White House issued a statement saying that Mr. Reagan was "deeply disappointed" by the action. "It is his hope that a majority of the committee will find a way to reconsider their action."

The congressional budget resolution is a budget for the entire government in the coming year. In drafting the resolution, the House and Senate Budget committees vote for budget authority, or authority to obligate funds, and actual disbursements, or outlays. The debate centers chiefly on authority.

The Democratic-controlled House of Representatives has approved a budget resolution that includes an increase in military funds that the Democrats calculate to be 4 percent and the administration

(Continued on Page 2, Col. 1)

Oil-Spill Politics Endangers Gulf

Threat of Growing Slick Is No Match for Animosities

By Joseph Fitchett

International Herald Tribune

crude oil are believed to be floating half-submerged.

An Arab cabinet minister, who asked not to be identified, said Friday that the outcome left him "very pessimistic" about the chances of early action.

Another diplomat said: "This meeting was held under technical

NEWS ANALYSIS

anxieties to facilitate a political compromise without loss of face. Now a solution will be more elusive because the oil war rivals are back in the open even on this issue."

While noncombatant Gulf states are anxious for a truce to tackle the oil emergency, they lack the political power to impose their views on either Iran or Iraq, each of which sought to ensure that any cease-fire worked to its strategic advantage.

Iranian demands reflected an interest in obtaining protection for the offshore oil pumping and oil shipping that finances Tehran's war against Baghdad.

Iraq, in contrast, wanted a more



FLOODWATER — Volunteers in New Orleans ferry hospital workers in canoes after the city was hit by flooding following three days of rain. The floods crippled entire sections of the city and left more than 40,000 people in the Gulf Coast states homeless. Officials said storms in the region caused 10 deaths and heavy damage.

Crackdown on Graft Is Sign of Mubarak's Reordering of Economy

By William E. Farrell

New York Times Service

CAIRO — A driver professed fury on a chaotic main street this week as a Cairo traffic policeman scribbled a parking ticket. The driver's angry cries drew a crowd, most of whom sympathized with him. But the policeman was unmoved.

The issuance of a ticket is an ordinary enough event in most places, but not here. Bakshish is endemic at all levels of society. The word is hard to translate; it can be a tip or a bribe.

But in the driver's case it did not work. The ticket seemed to be a small sign of the change that the government of President Hosni Mubarak is trying to bring to various levels of Egyptian society. The president has said that reordering the stumbling economy and making Egyptian society more equitable are his chief domestic goals.

So far he has ordered a crackdown on corruption, and has moved to put into effect stricter housing legislation to curb a widespread flaunting of building codes. He has also ordered a sharp cutback on imports of such luxury items as cosmetics and foreign cars as part of an effort to narrow the unfavorable gap between imports and exports.

At a recent meeting with his economic aides, Mr. Mubarak said efforts must be made to cut government

outlays without raising the prices of subsidized basic commodities. In 1977, when prices on such subsidized items as bread, cooking oil and sugar were reduced, street riots erupted, resulting in many deaths and threatening to topple President Anwar Sadat.

The economic outlook appears bleaker today than a few months ago. Projections for next year's government budget, which has not yet been announced, indicate a deficit of nearly \$2 billion, with about \$300 million of that resulting from a decline in profits on Egyptian oil exports. Egypt recently cut its price for top-grade oil from \$29 to \$27 a barrel after the Organization of Petroleum Exporting Countries announced a price cut of \$4 a barrel from \$34 to \$29 a barrel.

Since coming to power after Sadat was assassinated at a military parade on Oct. 6, 1981, Mr. Mubarak has moved at a measured pace to bring about changes.

His command over the People's Assembly, the unicameral parliament, which is overwhelmingly dominated by his ruling National Democratic Party, seems firm. But he has received some criticism from opposition groups such as the small Socialist Democratic Party because they feel the pace of reform is too slow.

The government-supervised Egyptian press is more critical and unflinching than it was in the last days of Sadat's rule. Lately Mr. Mubarak has earned public approval because of his much-publicized anti-corruption drive.

The chief target has been Sadat's half-brother, Esmat, who rose during the Sadat presidency from a \$60-a-month bus driver to a man with a fortune estimated at \$150 million. Esmat Sadat and three of his sons were sentenced in February by the Cairo Court of Ethics to a year in jail. The court also ordered the confiscation of their property and that of seven other members of the family.

The prosecutor general is reviewing the case, which includes charges of illegal acquisition of land, black market dealings and the importation and sale of rotten food. Supply Minister Ahmed Nour and Industry Minister Fuad Abul Zaghlal were forced to resign after their names were mentioned in the investigation.

The trial has sent shudders through a newly rich Egyptian class that gained enormous profits from President Sadat's open-door economic policy, an international move that brought a glut of foreign consumer items onto the market.

Mr. Mubarak has said he will continue the policy, but that it has to be reordered to wipe out the heavy emphasis on consumer luxuries. He wants foreign investments that will help add steel plants and other components of a sturdy industrial base.

According to Egyptian and diplomatic officials, Mr. Mubarak has "a huge slate," as one put it, in what happens in Lebanon, although he is not a direct participant.

He has been steadfast in his support of the Egyptian treaty with Israel, despite calls in the Arab world for its abrogation. He has said the treaty is proof that peaceful tactics can work in the search for Middle East stability.

But the impasse in the Lebanon talks has caused concern in Cairo that this argument is being weakened at a time of what seems to be improvement in Egypt's relations with Arab nations that broke ties because of the treaty.

Mr. Mubarak has been calling for speedy action by Arabs to take up President Ronald Reagan's proposal last September for autonomy for Palestinians in the Israeli-occupied West Bank and Gaza Strip in association with Jordan. He has been addressing his call especially to King Hussein of Jordan and the Palestine Liberation Organization, asserting that the crucial American voice in peace talks may be diminished as presidential elections approach next year in the United States.

In domestic affairs, President Mubarak's public style has been different from that of President Sadat. Sadat made a point of placing himself alone in the foreground, with his aides kept in the shadows. Mr. Mubarak has brought the officials into the picture, and diplomats in Cairo note that he thus can share any criticism and blame as well as praise.

"This presents the potential for a worrisome move toward the hair trigger," said Mr. Andrews, saying that missiles might be fired in response to false alarms. He added that a launch-on-warning policy was one "that we have wanted to stay away from."

"If we need to have a land-based missile option," Mr. Andrews continued, "then mobility is the key to survivability. Anything less than that is fooling ourselves, or worse, moving toward a first-strike acceptability." The administration, he said, "has got a lot of selling to do."

Mr. Andrews said that former Secretary of State Alexander M. Haig Jr., a member of the MX commission, was among those who briefed the Senate on Thursday. Mr. Haig argued that the European allies would be disinclined to accept (Continued on Page 2, Col. 7)

Soviet Expels 2 Britons in Apparent Retaliation

By Dusko Doder
Washington Post Service

MOSCOW — The Soviet government expelled a British diplomat and a journalist Friday in retaliation for Britain's expulsion of two Soviet diplomats and a correspondent.

Squadron Leader David Williams, an assistant air attaché at the British Embassy, and Anthony Robinson, the Moscow correspondent of the Financial Times, were given a week to leave the country.

The Soviet authorities were also considering a possible retaliation against France, which expelled 47 Soviet diplomats and officials on Tuesday. There was a distinct prospect that the expulsions and retaliations could escalate and bring about a further deterioration in East-West relations.

After Britain on March 31 ordered the expulsion of a Soviet military attaché, a second secretary of

the Soviet Embassy in London and the correspondent of New Times, a Soviet weekly, British officials warned Moscow that Prime Minister Margaret Thatcher's government would order still more Soviet officials out of Britain if Moscow took retaliatory steps.

A British Embassy spokesman declined comment Friday on the possibility of such steps.

A senior Soviet official said that the expulsions ordered by the French and British governments were seen here as a part of a political and propaganda campaign orchestrated by the Reagan administration to discredit Moscow's foreign policy.

He predicted, however, that "these hysterical things will be short-lived" and that Moscow would be "restrained" in its response.

Sir Iain Sutherland, the British ambassador, was summoned to the Soviet Foreign Ministry on Friday

morning to be informed of the expulsions on charges of having carried out "impermissible activities," according to the British spokesman.

The ambassador protested strongly at this totally unjustified action," the spokesman said. "This action is clearly in retaliation for the expulsion of three Soviet officials from London last week."

British officials said Vladimir P. Suslov, a senior Foreign Ministry official who read the expulsion order to Sir Iain, did not elaborate on the charge that Squadron Leader Williams and Mr. Robinson were involved in "impermissible activities." The term was apparently meant to suggest some form of espionage.

The three Russians expelled from Britain had been charged with involvement in "activities incompatible with their status," the euphemism normally used for spying. They were Colonel G. A. Pri-

makov, an assistant air attaché; S.V. Ivanov, the second secretary, and I.V. Titov, the New Times correspondent.

Squadron Leader Williams, 33, has been in Moscow for less than a year. The last British diplomat to be expelled by the Russians was Captain Bruce Richardson, the naval attaché, who was sent home last December in retaliation for the expulsion of the Soviet naval attaché in London, Captain Anatoli P. Zotov.

Mr. Robinson, 40, is regarded in the foreign community in Moscow as among the best foreign correspondents here. He arrived a year ago and had previously covered Soviet-bloc countries.

The last British journalist to have been expelled from Moscow was David Bonavia of The Times of London in 1972.

Friday's action by the Russians suggests that a number of French officials may be thrown out of

Moscow in retaliation for the expulsion of 47 Soviet diplomats, officials and journalists.

The French move followed a series of recent expulsions or arrests of Soviet personnel accused of spying in Britain, Spain, Italy and Switzerland.

■ Correspondent Disappointed

Mr. Robinson said he was saddened and disappointed by the decision to expel him. Reuters reported from Moscow.

"The Financial Times treats the Soviet Union like any other country," he said. "It is my job to report fairly and accurately, and that is what I have tried to do over the past 12 months."

Mr. Robinson is the first permanent correspondent for the newspaper in Moscow. He said the Financial Times did not accept the decision, and added that although he would have to leave, he would remain the newspaper's Moscow correspondent.



Anthony Robinson

"I hope to return," he said.

In London, Reuters quoted the Financial Times editor, Jeffrey Owen, as saying: "I deeply regret the sudden and arbitrary action by the Soviet Union against Mr. Robinson. I ask the Soviet authorities to reconsider their decision with the utmost urgency."

WORLD BRIEFS

France Eases Currency Curbs

PARIS (UPI) — The Finance Ministry and travel agents reached an agreement Friday on easing the new foreign exchange controls for French travelers package vacations, officials reported.

The controls, introduced two weeks ago as part of an austerity plan to reduce inflation and a large foreign trade deficit, limited to 3,000 francs (about \$400) the amount of foreign and French currency that French residents were allowed to take out of the country for personal reasons each year. Travel agents, claiming that the measures threatened 18,000 jobs, staged a march through Paris last week to persuade the government to modify the controls.

Under the new agreement, travel agents will be allowed to convert into foreign currency 75 percent of the funds they spent on travel packages between April and October of 1982. The relaxation applies only to vacations advertised before March 25, the day that the new controls were announced.

Travelers on package vacations with meals and accommodation included will have between 1,250 and 1,750 francs deducted from their allocation, to be entered in an booklet regulating export of currency.

Boycott of Ghetto Ceremony Urged

WARSAW (WP) — Spurning an officially sanctioned memorial celebration, a clandestine Polish group Friday called for an independent wreath-laying ceremony and street march April 17 to commemorate the 40th anniversary of the Warsaw Ghetto uprising.

In a communiqué, the organizers accused Poland's Communist authorities of trying to turn the commemoration into a major international event for "mainly financial purposes." This was an apparent reference to state efforts to attract a large crowd of foreign Jews for the occasion and to promote a positive image in the West, where Poland owes \$26 billion. The two-week commemoration is slated to start Saturday.

The communiqué was signed by "The Committee for the Independence Celebrations of the 40th Anniversary of the Warsaw Ghetto Uprising."

No names were attached but the declaration was passed to Western reporters by reliable sources. Expected to join in the unofficial action are several members of the banned trade union Solidarity, including Lech Walesa, and Dr. Marek Edelman, the sole survivor in Poland of the uprising. Dr. Edelman has called for a boycott of the formal ceremonies in protest against political oppression here.

Pinochet Exile Is to Visit Chile

SANTIAGO (UPI) — Andres Zaldivar, president of the Christian Democratic International, is scheduled to return to Chile on Saturday after an exile of two years and six months imposed by President Augusto Pinochet.

Although the Chilean regime has made no official announcement, Mr. Zaldivar has been authorized to visit Chile for five days because of the serious illness of his 83-year-old father.

Mr. Zaldivar, who lives in Madrid, was elected president of the Christian Democratic International last year. The Christian Democratic Party, along with all other political parties, is officially banned in Chile. The government indicated concern that refusal to authorize Mr. Zaldivar's visit to his father would do further damage to Chile's deteriorated human rights image.

Greens' Leader Nearly Resigned

BONN (Reuters) — Petra Kelly, spokeswoman of West Germany's anti-nuclear Greens party, was quoted Friday as saying she was exhausted and had considered resigning from the Bundestag, the lower house.

Miss Kelly, who played a major role in the leftist ecologist group's success in last month's national election, told the Munich newspaper Abendzeitung that her fellow Greens deputies were "exasperating" her. She said she had poor circulation and doctors had been summoned to her office twice since the party entered parliament for the first time last month.

"Last week, I almost resigned," she said. "I wanted to give up my mandate." Miss Kelly, 35, who has a history of ill health, said she would withdraw to a health resort for two weeks. Another Greens deputy, Marieheide Beck-Oberholzer, rejected Miss Kelly's remarks and said she had the full support of her 26 parliamentary colleagues.

Petra Kelly

16 More Arabs Held Over Illness

ARRABE, Israeli-Occupied West Bank (UPI) — Sixteen Arabs, including female students who complained of symptoms of poisoning, were held for questioning by the Israeli police on suspicion of instigating a riot, the Israeli radio said Friday.

On Wednesday the Israeli police said they had arrested 50 Arabs on suspicion of inciting a fake epidemic. The first girls who complained of being ill two weeks ago were from Arrabe, a town of 8,000. From there, similar symptoms of nausea, dizziness and weakness spread to Jenin, Tulkarem and Hebron. The Palestine Liberation Organization charged the girls were poisoned.

Mugabe Warns Helpers of Rebels

ZHOMBE, Zimbabwe (Reuters) — Prime Minister Robert Mugabe declared Friday that his government was involved in a war with rebels and warned that anyone who helped the enemy risked being killed by troops.

In his first visit to a part of Zimbabwe formerly troubled by dissident activity, Mr. Mugabe told about 2,000 tribespeople that he would deal with unrest as ruthlessly as possible.

"We don't select who we fight because we can't tell who is a dissident or not. If people give dissidents food, they are starting a war against the government. If you support dissidents, people are going to be killed because this is war. Don't cry if your relatives are killed in the process. It's the price of supporting dissidents," the prime minister said.

For the Record

VATICAN CITY (UPI) — Roman Catholic bishops from Soviet Lithuania conferred with Pope John Paul II for the first time in 45 years Friday in meetings that signaled a thaw in relations between the Vatican and Moscow.

BEIRUT (Reuters) — A man has been arrested in connection with the murder of the French ambassador to Lebanon in September 1981, security sources said here Friday.

THE HAGUE (AP) — The Dutch government has banned dumping of radioactive waste in the ocean and has approved the nation's first on-shore disposal site for such wastes, the Ministry of Housing, Planning and Environment announced Friday.

Reagan Advisers Concede MX Missile's Vulnerability

(Continued from Page 1) cept the new U.S. Pershing-2 and cruise missiles in their countries if the United States refused to deploy a new land missile on its territory.

■ Research Priorities

Earlier, Robert C. Toth of the Los Angeles Times reported:

The MX commission will call in its report next week for an urgent research program to help decide in two years whether to deploy more MXs or a smaller intercontinental ballistic missile.

The program would include:

• Research on mobile missile silos to increase the ability of their ICBMs to survive a nuclear attack.

• Culmination of the two research efforts by 1985, with a new decision on whether to deploy more MX missiles or new small ICBMs in the late 1980s and beyond.

Additional MXs could be placed in hardened silos if the research finds that the silos' strength can be significantly increased, officials said.

Alternatively, small ICBMs, if found to be feasible, could be deployed for protection in mobile silos ranging from special armored carriers called "armadillo" to large helicopters.

STUDENT PROTESTS — Medical students take the paving stones from a street

in Paris to set up a barricade as part of a protest against a government plan to introduce new examinations. Students in Lyons and Marseilles staged similar protests. The barricades were taken down quickly by police. No arrests were reported.

United Press International

U.S. to Press Israel on Settlements If Hussein Joins New Peace Talks

WASHINGTON — The Reagan administration publicly promised that it would do its best to get Israel to halt the building of Jewish settlements on the West Bank if he entered Middle East peace talks.

In a news conference in Bonn, a West German government spokesman, Dieter Stolze, said West Germany was trying to establish what had happened to the waste.

He said Mannesmann's promise to open the files of its Italian subsidiary was made Thursday by Egon Overbeck, Mannesmann's chairman of the board, in a telephone call to the West German interior Ministry.

Mr. Stolze said he hoped the information contained in the Mannesmann files would be available within days. However, it is not known whether authorities will be able to team the disposal site of the 41 drums of toxic dioxin waste from these records.

The 41 barrels of waste were last registered Sept. 20, 1982, by customs authorities in Paris, where they had been sent from Italy. A few days later they disappeared without trace.

■ Protest in Paris Suburb

Meanwhile, in the Paris suburb of Neuilly-sur-Seine, activists of the international environmental group Greenpeace protested the disappearance of the waste by dumping 41 drums marked "Dioxin-Seveso" outside the headquarters of Hoffmann-La Roche's French subsidiary, United Press International reported.

United Press International

Senate Committee Halves Reagan Military Requests

(Continued from Page 1) and the nonpartisan Congressional Budget Office figure to be less than 3 percent.

All of the percentage increases in the military budget mentioned in the congressional debate are "real" increases on top of inflation, which the administration estimates will be 4 percent for the military program next fiscal year.

With the House's increase no more than 4 percent and the Senate committee voting for 5 percent, it appeared that unless the committee is reversed on the Senate floor the final figure to emerge from a Senate-House conference committee will be 5 percent or less. Reversal on the Senate floor is unlikely because the majority in the Senate committee was so large.

Mr. Reagan had proposed budget authority of \$280.5 billion and outlays of \$245.3 billion.

Also supporting this view, he said, was Mr. Arafat's departure to Aden and not to Riyadh, as had been expected. Saudi Arabia is the PLO's biggest financial backer, and Mr. Arafat generally consults closely with Saudi leaders on major issues.

The sources quoted the message as saying that the PLO would adhere to the decisions in February of the Palestine National Council in Algiers. At the end of that meeting, the council backed the Fez plan and said Mr. Reagan's proposals were insufficient. But it did not reject the proposal outright.

Also supporting this view, he said, was Mr. Arafat's departure to Aden and not to Riyadh, as had been expected. Saudi Arabia is the PLO's biggest financial backer, and Mr. Arafat generally consults closely with Saudi leaders on major issues.

The sources quoted the message as saying that the PLO would adhere to the decisions in February of the Palestine National Council in Algiers. At the end of that meeting, the council backed the Fez plan and said Mr. Reagan's proposals were insufficient. But it did not reject the proposal outright.

Mr. Arafat is expected to convey Mr. Mubarak's views on peace ne-

gotiations in the Middle East to Jordan's King Hussein. Egypt's Middle East News Agency said the two men would hold "urgent talks" centering on "political developments in Lebanon."

Mr. Mubarak said Thursday at a press conference in Tokyo that he had sent a message to President Ronald Reagan and suggested that the United States take the lead in pursuing a Middle East settlement.

He also urged the Palestinians to move promptly in establishing contacts with King Hussein.

The envoy, Osama el-Baz, left the presidential entourage to go to Amman, an Egyptian Embassy official said.

Mr. el-Baz is expected to convey Mr. Mubarak's views on peace ne-

gotiations in the Middle East to Jordan's King Hussein. Egypt's Middle East News Agency said the two men would hold "urgent talks" centering on "political developments in Lebanon."

Mr. Mubarak said Thursday at a press conference in Tokyo that he had sent a message to President Ronald Reagan and suggested that the United States take the lead in pursuing a Middle East settlement.

He also urged the Palestinians to move promptly in establishing contacts with King Hussein.

The envoy, Osama el-Baz, left the presidential entourage to go to Amman, an Egyptian Embassy official said.

Mr. el-Baz is expected to convey Mr. Mubarak's views on peace ne-

gotiations in the Middle East to Jordan's King Hussein. Egypt's Middle East News Agency said the two men would hold "urgent talks" centering on "political developments in Lebanon."

Mr. Mubarak said Thursday at a press conference in Tokyo that he had sent a message to President Ronald Reagan and suggested that the United States take the lead in pursuing a Middle East settlement.

He also urged the Palestinians to move promptly in establishing contacts with King Hussein.

The envoy, Osama el-Baz, left the presidential entourage to go to Amman, an Egyptian Embassy official said.

Mr. el-Baz is expected to convey Mr. Mubarak's views on peace ne-

gotiations in the Middle East to Jordan's King Hussein. Egypt's Middle East News Agency said the two men would hold "urgent talks" centering on "political developments in Lebanon."

Mr. Mubarak said Thursday at a press conference in Tokyo that he had sent a message to President Ronald Reagan and suggested that the United States take the lead in pursuing a Middle East settlement.

He also urged the Palestinians to move promptly in establishing contacts with King Hussein.

The envoy, Osama el-Baz, left the presidential entourage to go to Amman, an Egyptian Embassy official said.

Mr. el-Baz is expected to convey Mr. Mubarak's views on peace ne-

gotiations in the Middle East to Jordan's King Hussein. Egypt's Middle East News Agency said the two men would hold "urgent talks" centering on "political developments in Lebanon."

Mr. Mubarak said Thursday at a press conference in Tokyo that he had sent a message to President Ronald Reagan and suggested that the United States take the lead in pursuing a Middle East settlement.

House Intelligence Panel Chief States CIA Operation in Nicaragua Is Illegal

By Patrick E. Tyler
Washington Post Service

WASHINGTON — The Reagan administration is violating the congressional ban on supporting attempts to overthrow the leftist government of Nicaragua, according to the chairman of the House Intelligence oversight subcommittee just returned from a trip to Central America.

His statement Thursday was the most authoritative congressional assertion to date that the two-year-old covert CIA operation has broken the legal bounds imposed by Congress.

Representative Wyche Fowler Jr., a Georgia Democrat, said at a news conference that "under the best of circumstances" the congressional ban, known as the Boland amendment, "is not being fully adhered to."

Mr. Fowler said the chairman of the full committee, Representative Edward P. Boland, a Massachusetts Democrat, had assured him that the panel would hold hearings "as soon as possible next week to

discuss measures to ensure compliance with the law."

The Senate Intelligence Committee is to hold a closed-door hearing Tuesday on the operations in Nicaragua.

The language in the Boland amendment forbids the administration from taking any action "for the purpose of overthrowing the government of Nicaragua or provoking a military exchange between Nicaragua and Honduras."

Mr. Fowler said he would introduce legislation next week to set statutory standards for covert actions to make sure that such "extraordinary" activities are essential to national security, that potential benefits outweigh risks, and that covert objectives are consistent with "publicly avowed foreign policy."

The legislation also would give the House and Senate Intelligence oversight committees veto power "to disapprove such operations."

Mr. Fowler was careful to state that his conclusion that the administration is violating the Boland amendment, "is not being fully adhered to."

Mr. Fowler said the chairman of the full committee, Representative Edward P. Boland, a Massachusetts Democrat, had assured him that the panel would hold hearings "as soon as possible next week to

discuss measures to ensure compliance with the law."

Mr. Fowler insisted the White House was not violating the ban on any U.S. efforts to overthrow the Sandinists.

■ U.S. Involvement Outlined

Leslie H. Goh of The New York Times reported from Washington:

"U.S. involvement in covert guerrilla activities against Nicaragua increased sharply last year after Argentina largely halted its assistance to the rebels, according to administration officials."

■ Law Violations Denied

The White House on Friday discounted a document showing that President Ronald Reagan discussed ways of preventing the spread of Nicaraguan-style revolution in Central America. Reuters reported.

Larry Speakes, the White House deputy press secretary, implied that a National Security Council document published by The New York Times on Thursday, which summarized a meeting between

Mr. Reagan and his senior advisers, never became policy.

Mr. Speakes insisted the White House was not violating the ban on any U.S. efforts to overthrow the Sandinists.

■ Argentine Move

The Argentine move was in reaction to President Ronald Reagan's support for Britain in the war over the Falkland Islands, the officials said.

Until the early months of 1982, the officials said, Argentina had primary responsibility for financing and training the anti-Sandinist guerrillas.

Beginning last fall, they said,

U.S. funds, personnel and direction were added, first to sustain the interdiction operations and later to expand them.

U.S. Congressman Canceled Salvador Trip After State Department Warning on Safety

By Raymond Bonner
New York Times Service

WASHINGTON — The president of the Salvadoran National Assembly, Roberto d'Aubuisson, sent one of his security guards to the United States last year to "investigate" a California congressman after he had visited El Salvador, according to a congressional State Department cablegram.

Mainly as the result of that information, the State Department

told the legislator, Representative George Miller, that it could not guarantee his safety on a second visit he had planned to El Salvador in January 1983, and the visit was canceled.

Mr. Miller, a Democrat, has been an outspoken critic of the Reagan administration's policy in Central America.

Mr. Miller said he first learned of the matter in January, while in Mexico City on his way to El Sal-

vador. An American diplomat gave Mr. Miller a copy of the cablegram, which had been received from the State Department.

Mr. Miller also said agents of the Federal Bureau of Investigation had advised him that he had "reason to be concerned" about his personal safety if the Salvadoran identified as Amnon Suvilaga, was in the United States. The FBI declined to say whether it had been watching Mr. Suvilaga.

Mainly as the result of that information, the State Department

U.S. Reportedly Seeking Removal Of El Salvador's Defense Minister

By Bernard Weisbord
New York Times Service

WASHINGTON — The United States is quietly seeking the removal of El Salvador's defense minister, General José Guillermo García, because of the lagging performance and poor morale of the nation's armed forces, according to administration officials.

One official said Thursday: "We have on more than one occasion indicated he had to go."

What constitutes an issue, the official said, is the problem of seeking to pressure the Salvadorean, including General García, without making demands on them."

Beyond this, it is known that the U.S. Embassy in El Salvador, which has consistently backed General García because of his support for land redistribution, has told the State Department that the "alternatives are very limited." The general remains one of the most powerful figures in the government.

The embassy has also indicated that the political situation in El Salvador is in flux, with presidential elections scheduled for December, and that it would probably be inappropriate to replace General García now.

One administration official said, however, that the United States had "many reservations about García," including his questionable effectiveness as the head of the Salvadoran armed forces and their "operational capability to fight a guerrilla war."

Within recent months, it has become evident to officials in Wash-

ington, as well as U.S. trainers in El Salvador, that the armed forces have been threatened with internal unrest, poor leadership and low morale.

The inability of the armed forces to protect such targets as bridges and power lines, coupled with aggressive guerrilla drives in the rich agricultural provinces of Usulután and San Vicente, have deepened the gloom in Washington about General García's leadership capabilities.

Previously, how the United States seeks to pass the Salvadorean to remove the general remains unclear.

General García, who has completed 30 years of military service, was largely responsible for helping impose a moderate Alvaro Alfredo Magaña, as provisional president after the elections last year resulted in a rightist coalition that threatened to take over the government.

Moreover, administration officials said that there appears to be no logical successor. One administration official speculated that General Eugenio Vides Casanova, commander of the National Guard, could replace General García.

National Guardsmen, however, have been implicated in the murders of four American churchmen in December, 1980, and their reputation for violence could pose difficulties in terms of U.S. support.

An administration official said: "For us to dictate is to Americans to win just as surely as if we

put in combat advisers. The solution is to make our concerns sufficiently clear that Salvador has to deal with it, but without telling them how to do it."

Administration officials said that the six-day rebellion of Lieutenant Colonel Sigifredo Ochoa Pérez, a regional military commander in northern El Salvador in January against General García had left the army in turmoil and raised doubts about General García's leadership.

Although the colonel eventually yielded, after refusing a transfer to a post at the American Embassy in Uruguay, the incident stung U.S. military officials, who viewed Colonel Ochoa as one of his country's most competent field officers.

The incident itself severely shook General García's reputation as a military commander.

In recent months, U.S. officers on the scene have complained about the failure of government forces to adopt more aggressive tactics, including small-scale offensives and night maneuvers.

Moreover, General García has often rejected American advice to protect economic targets, such as bridges, rather than control isolated villages near the Honduran border that had scant economic or military value.

In his letter to Mr. Shultz, Mr. Miller said he had learned that Mr. Suvilaga went to the U.S. Embassy in San Salvador to obtain Mr. Miller's home address.

He also said he had learned that

Mr. Suvilaga "has been closely linked to drug trafficking and killing" and that "his reputation is one of extreme violence."

In his judgment, Mr. Luther said he did not believe any of the key state witnesses. In three specific instances, he said, he found they had given unacceptable evidence because they had been frightened and threatened by the security police.

Although there have been many such allegations of duress by security police in the past, this is believed to be the first time they have been upheld in a judgment resulting in acquittal.

The four accused, all charged

with furthering the aims of banned black student organizations, were Stanley Radebe, 27; Mithunzezi Madalen, 24; Lebona Ernest Mohokala, 23; and the woman, Nonkukulelo Innocentia Mazibuko, 23.

Mr. Mohokala was also charged

with undergoing military training in Lebanon.

During the trial, which received little publicity until its final day, David Sogot, lawyer for two of the accused, presented a document that he called "a review of the interrogational process according to the state witness."

He recently warned, however,

that "the time for words is over

and the time for action has arrived."

Asked in a recent interview

whether the Sandinists had any interest in discussions with Mr. Pastor, Interior Minister Tomás Borge Martínez replied: "Absolutely none. We do not talk with traitors."

Last weekend, after a meeting

with Costa Rica's foreign minister,

Mr. Borge said he had been informed that Mr. Pastor had been expelled from Costa Rica.

Rushed by telephone in San

José, Costa Rican officials said

that Mr. Pastor had merely been invited to leave the country for a period and had left San José on March 28.

The alliance refused to join forces with the Honduras-based Nicaraguan Democratic Front on the ground that it is led by former national guard officers of the deposed regime of the dictator Augusto Pinochet.

Mr. Pastor has also contended

that reported support of the U.S.

Central Intelligence Agency for the

Honduras-based rebels is serving

BUY A DREAM AND WIN A FORTUNE!

Over \$19,500,000.00 Awaits LUCKY WINNERS in the Tax-Free Austrian Lottery Starting Soon

1st Prize: US \$ 600,000.00

2nd Prize: US \$ 300,000.00

3rd Prize: S 240,000.00

4th Prize: S 180,000.00

5th Prize: S 120,000.00

PLUS 48,365 Other Cash Prizes up to S 30,000.00

Total Prize Money: \$19,560,000.00

... and it's easy to be a Lucky Winner in the 11th Austrian Lottery since one out of every two tickets wins at least the cost of the ticket.

• Only 72,000 tickets sold (compared to 300,000 - 500,000 in other lotteries).

• All winnings paid out tax-free in any currency, anywhere.

• For the protection, the AUSTRIAN LOTTERY is under strict government control.

Make a date with luck! Order now, using coupon below, your ticket(s) for the 11th Austrian National Lottery.

PROKOPP INTERNATIONAL the official distributor for the Austrian National Lottery.

Since 1913 1061 Vienna, Austria.

Please send:

Full ticket(s) at US \$ 432.00 each

Half ticket(s) at US \$ 216.00 each

Quarter ticket(s) at US \$ 108.00 each

valid for all 22 Weekly Drawings of the 11th Austrian National Lottery beginning May 16, 1983. For the mailing of all winning lots, I add US \$ 12 for Overseas Airmail Postage (or US \$ 8 within Europe).

I enclose total payment of US \$ with check payable to J. Prokopp.

3333 Please send further information.

yes

MAIL TOMORROW • WIN TOMORROW • MAIL TODAY

AMERICAN COLLEGE
AN INDEPENDENT COLLEGE
DEPARTMENTS OF
ARTS AND SCIENCES
IN PARIS
UNIVERSITY OF AMERICA

Notice of nondiscriminatory policy as to students
The American College in Paris admits students of any race, color, national and ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students at the school. It does not discriminate on the basis of race, color, national and ethnic origin in administration of its educational policies, admissions, scholarship and loan programs, and athletic and other school-administered programs.



William Anderson displays his newly repaired hand.

American's Right Hand Grafted to His Left Arm

The Associated Press

BOSTON — William Anderson says he has slowly gotten accustomed to having his right hand attached to his left arm.

"Now it's become a friend," Mr. Anderson, 35, said Thursday as he was discharged from Massachusetts General Hospital.

Mr. Anderson's ordeal began six years ago when gunpowder placed in a Revolutionary War cannon exploded prematurely during a Memorial Day observance.

The blast tore off his left hand, leaving only a thumb. He also lost his right thumb. The other four fingers on the right hand were intact but useless because of nerve damage in his arm.

Doctors gave up hope that his damaged nerves would heal. On Feb. 22, eight surgeons worked for 19 hours attaching the remainder of his right hand to the stub of his left hand.

After being transplanted, the little finger had to do the work of an index finger, and in comparison to Mr. Anderson's other fingers, it was too short. So the doctors shortened the other fingers.

The fingers on his transplanted hand are still numb, but he can already hold a cup. Doctors hope that when the nerves grow back, Mr. Anderson, a photographer from Concord, Massachusetts, will be able to move his fingers and do simple chores. He now has an artificial device on his right arm.

Mr. Anderson said he had been repeatedly told he would "soon" get a response, but had still not received one. On Thursday, a State Department official said the letter would be answered, but he did not know when.

Mr. Miller said that he had been a serious threat and the responsible government officials have not done anything about it, or it was not a serious threat and they just wanted to stop me from going to El Salvador. I just want to know the answer."

The State Department cablegram, a copy of which was provided by a noncongressional source, said that "d'Aubuisson's cronies and security men, retired Col. Ramon Suvilaga, traveled to San Francisco to investigate" Miller following the visit.

On Feb. 16, Mr. Miller sent a letter to Secretary of State George P. Shultz, asking for the secretary's "immediate personal assistance in securing certain information involving my personal security."

Mr. Miller said that he had been repeatedly told he would "soon" get a response, but had still not received

The Gun
Take He
n Chicago

U.S.-Chinese Rift Over Defection: An Illustration of Imperiled Ties

By Don Oberdorfer

Washington Post Service

WASHINGTON — Increasingly bad relations between the United States and China, dramatically illustrated by the case of the tennis player Hu Na, a Chinese defector, threaten ever more serious damage to a relationship of global importance.

The Chinese retaliatory actions, announced Thursday, are understandable only in the context of a relationship that has lost its for-

ward momentum and is in danger of slipping backward at an accelerating pace.

There were signs in both capitals Thursday that key officials understand the danger.

Beijing's suspension of official cultural and sports exchanges seemed to reflect an effort to firm up its response to mostly symbolic measures that do not affect the central business of the two countries.

Washington's reaction was carefully limited as well. The tone of official comment was of sorrow, not anger. In conversations, officials sought to emphasize the economic, political and strategic interests that the two nations share as bonds that would prevent irreparable harm to the relationship.

At the White House late Thursday, in a ceremony that had been scheduled well before the announcement was made Monday that Miss Hu had been given asylum, President Ronald Reagan received the credentials of the new Chinese ambassador, Zhang Wan-

The official exchange of remarks, which traditionally are not uttered but are issued for the

U.S. Sees 'Overreaction' In Retaliation by Chinese

New York Times Service

WASHINGTON — The State Department has said that China's decision to cancel this year's remaining cultural and sports exchanges with the United States was an "overreaction and inappropriate" response to the granting of political asylum to tennis player Hu Na.

In a statement, John Hughes, the State Department spokesman, said, "The United States government re-

grets this unilateral decision by the Chinese side and considers it to be an overreaction and inappropriate."

"These exchanges are valuable

for the peoples of both countries

and we regret any action to curtail them."

Mr. Hughes said the U.S. understanding was that the Chinese action was limited to the government-to-government exchanges and did not affect the student program. There are more than 10,000 Chinese students in the United States and several hundred Americans in China.

It is also believed not to affect private exchanges worked out by U.S. institutions directly with their Chinese counterparts.

Despite the restrained comment by Mr. Hughes, some high-ranking officials expressed annoyance in private over Chinese actions in recent months toward the United States. One official said that the Chinese did not seem to understand the political realities in the United States or the way the U.S. system of government is organized.

The Chinese have been irritated at curbs placed on Chinese and other countries' textile exports to the United States and by a court decision ordering payment for bonds of the old Imperial Chinese government.

"The Chinese seem to think that President Reagan can wave a wand and things can happen," one official said. "Maybe it's true in China, but not here."

INTERNATIONAL POSITIONS

EDINBURGH INTERNATIONAL FESTIVAL FESTIVAL DIRECTOR

The Edinburgh Festival Society is seeking a Festival Director to succeed John Drummond whose contract expires on 30 September, 1983. This is a full time appointment and initially a five year contract is envisaged with a review after three years.

The Lord Provost of Edinburgh, as Chairman of the Society, invites applications, with curriculum vitae, or nominations to be sent to him marked "FESTIVAL DIRECTOR" at 21 Market Street, Edinburgh, EH1 1BW. Further information should be obtained from the same address. Salary and date of commencement will be by negotiation. Closing date for applications April 30.

EXECUTIVES AVAILABLE

Swiss, 36 years of age, presently under employment in Taiwan with travelling experience of 8 years in oil for Eastern and South East Asian countries (except communist countries) including Australia, New Zealand and South Africa, seeks new challenging position as

SALES MANAGER in the field of general machineries, preferably marketing a newly product/machinery to a certain market.

Please reply to: Box D 1993, International Herald Tribune, 92521 Neuilly Cedex, France

PERSONNEL MANAGER

French, 30 years old, fluent in English with large experience of expatriation Middle East and Far East for oil related company seeks similar position with international company.

Available from end of April. Totally mobile. Resume can be sent on request. For appointment, please mail correspondence with indication of position to:

P.O. Box 1288, Maxwell Road, Singapore 9025.



Xinhua, China's official news agency, on Friday released this photograph of Hu Na's family at home in Chengdu, in Sichuan province in central China. From left are: Hu Bo, her brother; Hu Yunfu, her father; Wen Ruying, her mother; and Hu Shan, her sister.

Vietnamese Accused of Massacre

By William Branigan

Washington Post Service

KHAO-I-DANG CAMP, Thailand — The leader of the main noncommunist guerrilla group resisting the Vietnamese presence in Cambodia accused Vietnamese troops Friday of slaughtering hundreds of Cambodian civilians at a refugee camp on the Thai-Cambodia border.

A series of other representations about the tennis star followed, including a warning to Secretary of State George P. Shultz during his trip to Beijing two months ago.

Why the Chinese chose to allude to Mr. Deng's involvement when his pleas fell on deaf ears here, is a mystery. It is one more sign that much more than tennis was at stake in the case of the 19-year-old athlete.

Aides to Mr. Son Sam claimed that at least 300 Cambodians had

been killed in the incident, which purportedly occurred after most of the camp's population of nearly 30,000 had evacuated it to escape the current Vietnamese offensive in western Cambodia.

It was not immediately possible to confirm the claims independently.

Mr. Son Sam made the charge during a tour of the border area, as fighting between Vietnamese troops and Cambodian resistance groups abated.

He appealed to the United Nations and the international community to "intervene without delay to put an end to the genocide of the Cambodian people by the invading and occupying Vietnamese troops in Cambodia."

Officials of Mr. Son Sam's organization said they learned of the alleged massacre from survivors

who were brought to a hospital at Kap Chroem in Thailand, about 12 miles (19 kilometers) north of the O-Smak camp, which was overrun by Vietnamese forces after their current offensive began.

Western relief officials confirmed that the hospital currently holds 74 wounded Cambodians from O-Smak. But they said they had not visited the camp itself and had no first-hand knowledge of the alleged massacre.

The camp was defended by a few thousand fighters loyal to the former Cambodian head of state, Prince Norodom Sihanouk, who leads another noncommunist resistance faction.

According to an aide, at least one Vietnamese soldier also was wounded in the incident and was brought to the Kap Chroem hospital.

Japan to Vote Sunday In Key Local Elections

Reuters

TOKYO — Japan votes Sunday in important local elections that could lead Prime Minister Yasuhiro Nakasone to call a general election in June or July.

Attention is focused on the election of governors in 3 of 13 prefectures — Tokyo, Fukuoka in the south and Hokkaido in the north.

Political analysts believe that Mr. Nakasone, who must call an election in the next 14 months, will decide on a general election in mid-summer if candidates of the governing Liberal Democratic Party win decisively against Communist and Socialist candidates in these three races.

The party is divided over whether to call an election, with Mr. Nakasone's principal backer, former Prime Minister Kakuei Tanaka, in favor and other party leaders opposed.

Mr. Tanaka is believed to want to strengthen his position in the party with a general election victory before he faces court judgment in October for his alleged role in the 1976 Lockheed payoff scandal.

An election to replace half the members of the upper chamber of the Diet, the House of Councillors, is due in June or July. Analysts say Mr. Tanaka would want an election for the lower house to be held at the same time because it would improve the turnout, which would benefit the governing party.

The Liberal Democratic Party was returned with a landslide victory in 1980, the first time voting was held simultaneously for the two houses. Analysts attributed its victory partly to a large turnout.

Analysts say Mr. Nakasone is hesitating over accepting Mr. Tanaka's advice to call an election

for the lower House of Representatives because his popularity has diminished dramatically because of his stands on defense and rearmament since taking office in November.

They say other leaders of the party, especially former Prime Ministers Takeo Fukuda and Takaaki Miki, oppose an election for both houses in midsummer because they fear it would increase Mr. Tanaka's influence on the Liberal Democrats and Mr. Nakasone.

Japan Prepared To Grant China Expansion Loans

Reuters

TOKYO — Prime Minister Yasuhiro Nakasone Friday told Deputy Premier Yao Yilin of China that Japan was ready to extend an unspecified amount of loans to China for development projects, government officials reported.

Mr. Nakasone told Mr. Yao, China's leading economic planner, that the matter should be discussed by experts of the two governments. He made the remark when Mr. Yao called for an early settlement of China's request for loans to finance various projects.

A Foreign Ministry official said last month that Beijing had sent Tokyo a list of 12 projects for which it hoped to obtain Japanese financial help.

The Japanese prime minister agreed with Mr. Yao's proposal to hold a cabinet-level meeting in the autumn and to reach agreements before then to avoid double taxation and to protect investments.

FIRST, WE CHANGED OUR NAME FROM SIRIUS TO VICTOR. THEN, WE MADE VICTOR AN EVEN MORE OUTSTANDING VALUE.

LEADERSHIP. Sirius became Europe's most popular 16-bit microcomputer by offering unmatched performance at an unmatched price.

With our name change to Victor, we've actually increased performance and lowered the price*. Worldwide.

That lower price still includes our powerful 16-bit desktop microcomputer, an adjustable screen monitor, a detached keyboard tailored to both your language and country, two operating systems... and more. 128,000 characters of main memory (expandable to almost a million). 1.2 million characters of disk storage (expandable to 11.2 million).

Victor is the system that's big enough for big business, yet affordable enough for small businesses.

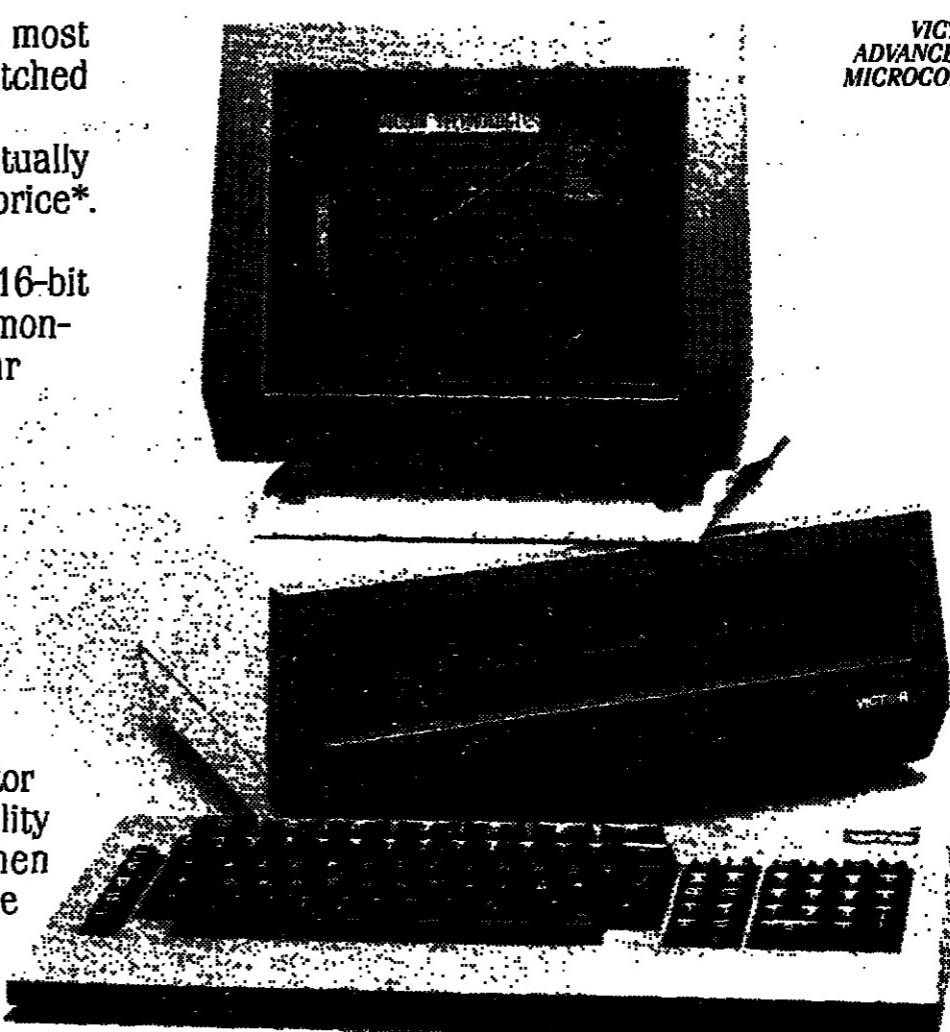
THE VICTOR NAME. For 66 years, the Victor name has been a synonym for the highest quality business, office and professional machines. When Sirius acquired Victor in order to better manage our worldwide growth, we retained the Victor name and our philosophy: offer the best price to performance ratio in the business.

That's just what you get with Victor microcomputer systems.

UNMATCHED PERFORMANCE. At our new prices, you might expect compromises. We didn't compromise. Not in the computer. Not in the friendly and highly useable business software we offer.

Victor's unique combination of hardware and software provides you with a working environment that's as enjoyable as it is productive. Even if you're not a computer expert.

ASK FOR A DEMONSTRATION. The best way to see how powerful, friendly and economical a Victor



VICTOR, THE
ADVANCED 16 BIT
MICROCOMPUTER.

can be, is to try it yourself. Hands on.

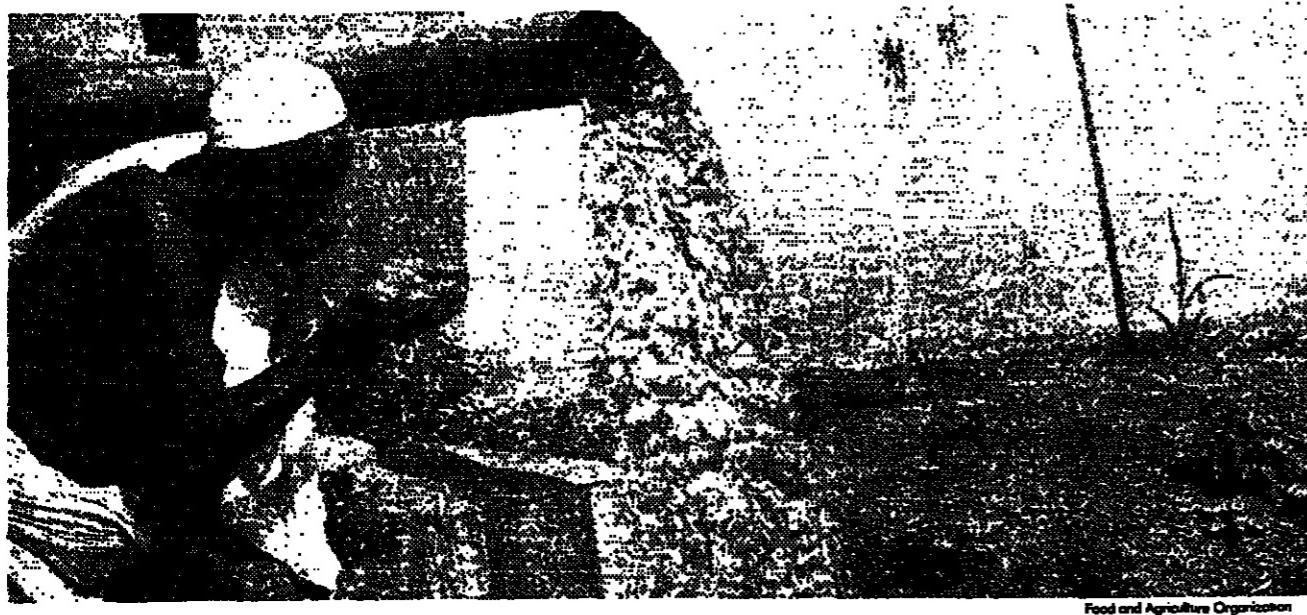
Try business programs that not only speak the language of business, but yours.

Ask about programs that fit your specific business: Accounting. Word processing. Electronic planning and forecasting. Graphs and charts. There are hundreds of programs available. Programs that turn your Victor computer into what may well be your most economical business productivity tool.

VICTOR

FOR MORE INFORMATION AND THE NAME OF YOUR NEAREST DISTRIBUTOR OR DEALER CALL:
VICTOR TECHNOLOGIES INC. 380 EL PUEBLO ROAD, SCOTTSDALE, CA 95066. (408) 438-6630.
VICTOR TECHNOLOGIES EUROPE, NINOOFSESTEENWEG 71, 1750 SCHEPDAAL, BELGIQUE. (2) 569.55.00.

* The price may vary according to the local market. Typical price is \$4000 (US) ex VAT.



A Yemeni drinks from an experimental well at Wadi Zabid in the lowlands of North Yemen.

Price Subsidies Said to Play Major Role in Output Decline

By Joseph Fitchett

WASHINGTON — After 20 years of industrialization, Egypt remains agrarian; most people live in the country. Travelers in Egypt find it difficult to believe that farm policy is anything less than a full success: the funnel of rich land split by the Nile is crammed with healthy crops pushed to the desert.

Yet, farmers and administrators are dissatisfied and Egypt's recent agricultural performance has proved increasingly disappointing.

Thus said a World Bank report on "Agricultural Pricing in Egypt," which encapsulates expert analysis of Egyptian agriculture today. Among the many reasons that the gusher of oil wealth in the Middle East has coincided with an overall decline in agricultural growth rates, the single most significant factor appears to be over-extensive government intervention in Egypt and other Arab countries, notably to fix farm prices.

The general background, as explained by Atif Kuibis in "Arab Resources," a new book by the Georgetown Center for Contemporary Studies in Washington, is that farmers have faced higher production costs because heavy emphasis on urban industrial development has diverted investment from agriculture. To transfer savings and people to infant industrial sectors, governments have quietly taxed the farmers in favor of city dwellers.

In addition, as agrarian workers migrate to the cities, they increase the size of poor urban populations that governments consider politically threatening. Hence the widespread practice of subsidizing basic food to placate urban populations — a practice that started in Egypt with U.S. food aid in the 1960s and that has become incredibly expensive. And, it is hard on the farmers, who pay part of the cost.

In a World Bank study, Egyptian agriculture was criticized for a slowdown in yield growth of many important crops, including sugarcane and cotton. The adverse trend is gaining strength to the point where food import costs in Egypt have become an important competitor for the foreign exchange needed for continued industrial development.

The main farming complaint, the report said, is low farm-gate prices, which result from the government's attempt to ensure cheap food for city dwellers.

The government forces farmers to produce certain agricultural products and then buys these products at less than market prices. The crudeness of the system, several experts said, reflects the Egyptian bureaucracy's difficulties in coping with a more selective, complex system of getting food cheap to the market without penalizing farmers.

The result, according to a U.S. Agriculture Department specialist, John B. Parker, is that Egypt's low farm prices and monopoly system provided \$1 billion in savings to the Cairo government last year.

In return, the authorities provided cheap feed, seed, fertilizer and pesticides — to the value of about \$200 million.

In other words, Egypt's farmers paid a hidden tax

of nearly \$800 million to subsidize Egyptian consumers. The real price of bread, for example, has declined over the last 15 years — producing an increase in per-capita consumption and beggar farmers further.

This classic pattern in developing countries — favoring the politically important cities and military at the expense of the countryside — is a vicious circle. The longer it goes on, the more peasants drift to the cities' slums, reducing the country's agricultural potential and increasing the pressure on the government to provide cheap food. In the end, this can only be achieved by imports, which must be paid for out of limited supplies of foreign exchange and then subsidized by the central government. (A recent development is that Egypt, Iraq and other Arab countries are starting to subsidize food in rural areas to match the example of Iran.)

These subsidies — and the accompanying government intrusion — have had the effect of driving farmers into cropping patterns that are shortsighted. In Egypt, for example, cotton and rice are fully controlled, while wheat is much freer. As a result, many Egyptian farmers are shifting out of cotton to wheat to escape the government network and to operate in a cash economy.

Yet, as the World Bank study pointed out, Egypt's soils are not wheat or grazing lands — meat is another lucrative farm product in Egypt today. They are capable of producing the world's finest cotton and horticultural products. That is where Egypt's competitive advantage lies, agrarian economists said.

Here emerges another perverse side effect of subsidies for staples in Egypt: more income is available to be spent on domestically produced — unsubsidized — commodities, notably fruits, flowers and vegetables — which have tremendous unrealized export value.

To pursue Egypt's long-term interest, the World Bank study said, Egypt should gradually move toward fewer physical controls on farming and adapt its system of prices and subsidies to encourage Egypt's farmers to compete in the international system.

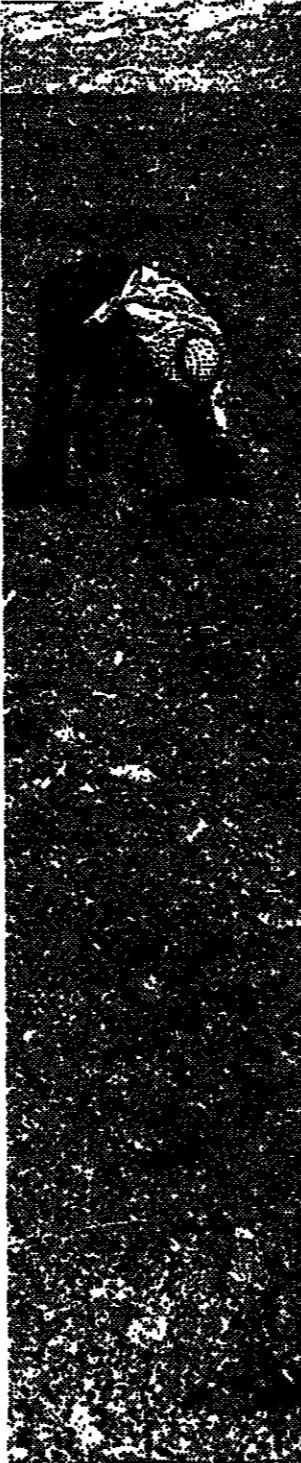
Mr. Parker, who has long experience in the region, makes more modest proposals for reform. The major problem with the subsidy program, he said, is that it is untargeted: cheap food goes to all urban dwellers wealthy or poor.

The program should be targeted for the poor, then cut back gradually, he said in an interview.

Until recently, the Egyptian government has been doing just the opposite, thus promoting urban growth at great cost to government solvency and even stability. Urban sprawl has now even started eating into Egypt's limited arable lands.

Last year, however, Egypt's agriculture department advocated fresh increases in prices paid to farmers.

If these more farmer-oriented bureaucrats manage to reverse the bad habits in Egypt, which has been an agrarian model for many other Arab states, the new trend could have sweeping long-term implications for the region.



A Jordanian farmer checks new plantings in his field.

Food Imports in Arab Middle East Near Record

WASHINGTON — Booming Western food sales to the Arab nations tell a dramatic story of growing Arab agricultural dependence — and highlight the sharpening international competition for this lucrative market.

While regional agricultural output is up nearly 50 percent, compared to the 1960s, food imports to the Arab Middle East have rocketed from \$1 billion in 1970 to \$22 billion last year. A record of \$35 billion is expected this year, according to the U.S. Department of Agriculture.

Nowadays, European Community farmers are supplying nearly one-third of the region's imports. Most of these sales — nearly \$9 billion last year and expected by the U.S. Agriculture Department to top \$11 billion this year — comprise high value-added items: dairy products, meat, sugar and consumer-ready items, according to the U.S. Agricultural Department's latest review of the Middle East market.

The Middle East and North Africa accounted for about 11 percent of the world's agricultural imports in 1981. Wheat, the main component of most people's diet in the region, was the principal com-

modity imported, but meat and luxury consumer goods are increasing in demand.

To recapture a larger share in this market, the Reagan administration is providing easier credit terms and other arrangements to help U.S. farmers compete more effectively with exporters from the European Community, whose exports to the market are roughly three times larger than U.S. sales. In addition, newly industrialized countries, such as Brazil, are making spectacular inroads into what was once a U.S.-dominated market.

The pattern of Arab food imports reveals a double trend of advancing social progress that outpaced agricultural development during the oil boom. The rising demand for food in the Arab countries reflects population growth (including immigrant workers from the West and Asia).

More significantly, the imports reflect improvements in local diet as a result of new wealth. Regionally, per-capita food consumption is growing about 6 percent annually — roughly double the rate of population increase. As oil revenues have increased, foreign-exchange availability, food has become more accessible through better market-

ing and distribution, both increasing overall consumption and up-grading people's tastes.

Governments' ability to meet people's expectations about getting food has become an element of political stability. In Egypt, for example, where cheap bread has been a staple ever since the U.S. aid programs of cheap wheat in the 1960s, the government in Cairo feels compelled to continue costly subsidies to offset the cost of expensive imported Western-supplied wheat and flour. War-torn Iraq is rapidly expanding its food imports — notably from the United States to compensate for lost farm production in the battle zone. Iraq is under special pressure to match the popular success of Iranian leaders' new program of distributing more free food, even in rural areas — a policy that has increased Iranian imports (including 50 percent more) without disrupting production.

For the foreseeable future, because of the region's spectacular growth and adverse climate, the market for imported food appears likely to continue booming. Even if oil prices stagnate, food will be the last consumer item to suffer from falling sales.

This bullish forecast has fueled the already bitter international scramble for Arab markets.

In contrast, the U.S. market share, which used to be dominant in much of the region, has dropped to less than one-tenth, just less than \$2 billion last year and perhaps a little more than \$3 billion this year. The bulk of U.S. exports is grain.

The most recent big U.S. sale was a \$3.3-billion sale of wheat and other grains and eggs, seeds and animal fodder to Iraq, whose U.S. food imports are expected to top \$1 billion next year. This example of Iraq's need to buy food (and U.S. need to sell its farm surpluses) typifies how the agricultural business is becoming big enough to transcend many political obstacles.

— JOSEPH FITCHETT

ing and distribution, both increasing overall consumption and up-grading people's tastes.

Governments' ability to meet people's expectations about getting food has become an element of political stability. In Egypt, for example, where cheap bread has been a staple ever since the U.S. aid programs of cheap wheat in the 1960s, the government in Cairo feels compelled to continue costly subsidies to offset the cost of expensive imported Western-supplied wheat and flour. War-torn Iraq is rapidly expanding its food imports — notably from the United States to compensate for lost farm production in the battle zone. Iraq is under special pressure to match the popular success of Iranian leaders' new program of distributing more free food, even in rural areas — a policy that has increased Iranian imports (including 50 percent more) without disrupting production.

For the foreseeable future, because of the region's spectacular growth and adverse climate, the market for imported food appears likely to continue booming. Even if oil prices stagnate, food will be the last consumer item to suffer from falling sales.

This bullish forecast has fueled the already bitter international scramble for Arab markets.

In contrast, the U.S. market share, which used to be dominant in much of the region, has dropped to less than one-tenth, just less than \$2 billion last year and perhaps a little more than \$3 billion this year. The bulk of U.S. exports is grain.

The most recent big U.S. sale was a \$3.3-billion sale of wheat and other grains and eggs, seeds and animal fodder to Iraq, whose U.S. food imports are expected to top \$1 billion next year. This example of Iraq's need to buy food (and U.S. need to sell its farm surpluses) typifies how the agricultural business is becoming big enough to transcend many political obstacles.

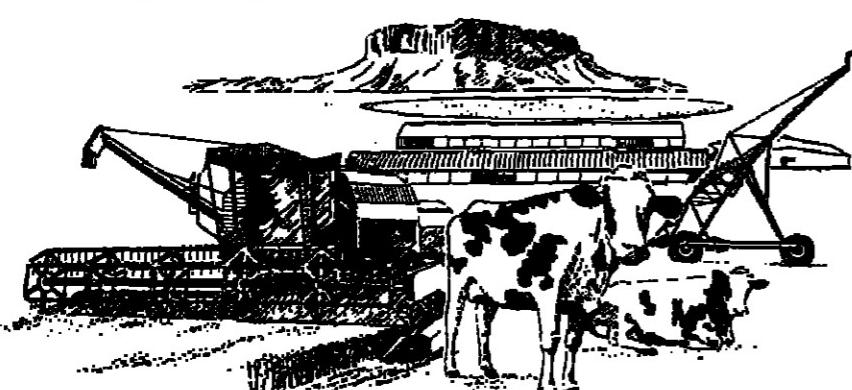
— JOSEPH FITCHETT

CONTRIBUTORS

JOSEPH FITCHETT is a correspondent for the International Herald Tribune. DAVID B. OTTAWAY is the Cairo-based correspondent of The Washington Post. RANDALL PALMER and BRAD HELLMER are on the staff of the Saudi Gazette, an English-language daily based in Jeddah. ALAN CARTWRIGHT is the editor of Middle East Agribusiness. JOHN WHELAN is deputy editor of Middle East Economic Digest. ALAN RICHARDS, a consultant and specialist in agricultural development, is associate professor of economics at the University of California, Santa Cruz. ANNE CHARNOCK is a journalist based in Britain who specializes in technology and development.

MASSTOCK FARMS successfully

7 dairy farms, 15 cereal projects in Saudi Arabia



Masstock Saudi Ltd PO Box 8524 Riyadh Saudi Arabia Telephone 4788400 Telex 202328 MASSDI SJ

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

PARIS, SATURDAY-SUNDAY, APRIL 9-10, 1983

Page 6S

AGRICULTURAL DEVELOPMENT IN THE ARAB WORLD

A SPECIAL REPORT

Food Demand Outpaces Growth Of Local Agriculture Industries

By Alan Richards

SANTA CRUZ, California — One of the most serious problems facing the Arab Middle East is the region's growing inability to feed itself. Stagnant agricultural growth constitutes the Achilles heel of the 1970s oil boom. Demand has soared with rapid population growth and accelerating urban incomes. But domestic supply has responded slowly and unevenly. Consequently, imports of food per capita are the highest of any developing region.

Syria, Morocco and Tunisia import more than one-third of their cereals; Egypt and Algeria import more than half of the basic staple.

Jordan imports all of its wheat; while the sheikhdoms of the Gulf import nearly all of their food. The result is mounting food import bills and a near obsession with "food security."

The imbalance occurs because supply cannot keep up with galloping demand, spurred by high rates of population increase, rapid income growth and the tendency to spend a high percentage of increased incomes on food.

In the three most populous countries — Egypt, Morocco and Algeria — supply lags behind population growth. Even in the more successful countries — Syria and Tunisia — domestic supply has been unable to keep up with demand, growing at 5 to 8 percent a year.

Few developing countries have achieved agricultural growth rates greater than 5 percent a year, while the average for all middle-income countries for the last decade was under 3 percent.

Governments' and private individuals' responses have been constrained by a difficult natural environment, an unfavorable historical legacy and the ambiguous impact of oil wealth. Rainfall is both infrequent and erratic, rendering planning difficult.

Since modern high yielding variety seeds depend upon ample and regular water supplies, the Green Revolution has yet to affect much of the region. Nor has much technology tailored for such areas been developed.

Governments have tried to remedy the lack by expanding irrigation. Two problems have plagued these efforts: One is "gigantism" — the desire to build huge, "prestige" projects, such as the Aswan Dam in Egypt or the Tabqa Dam in Syria. Planners have been disappointed by soaring costs and shrinking benefits, especially for the land reclamation projects that usually accompany such plans. Second, high costs, heavy demands of other projects and simple myopia have led to a neglect of drainage. Since irrigation without drainage chokes the soil and poisons plants with salt, agricultural disaster results. Large areas of Upper Egypt, Iraq and Syria are seriously affected.

Arab agriculture faces socio-political as well as ecological difficulties. Two constraints stand out: land tenure systems and the twin evils of urban bias and rural neglect. Although land in the Arab world is more equally distributed than in Latin America, the situation is worse than in East or Southeast Asia. In areas that have not experienced effective land reform, large, moderately capitalized farms owned by a wealthy minority co-exist with the small, scarcely viable dwarf holdings of the rural majority.

Often the legacy of colonialism and even earlier inequalities, such "bimodal" land tenure systems, are both iniquitous and inefficient. Often, the large farmers are able to take the most of credit-subsidized inputs and other government aids. They invest in labor-saving and employment-reducing mechanization and produce luxury foods such as fruits, vegetables and stall-fed livestock. Meanwhile, population pressure and Moslem inheritance law leads to ever-increasing dwarf holdings.

Some countries — Egypt, Syria, Iraq and Algeria — launched land reform programs in the 1950s and 1960s. These reforms removed the largest landlords, however, a relatively small percentage of the total land area was affected — in Egypt, 12 percent. Worse, often the state removed the large landlords as suppliers of marketing, credit and inputs to small farmers without a replacement.

The Egyptians did best with their system of cooperatives, and other countries tried to emulate them. But because some governments lacked the cadre and the will, many farms were abandoned. In other cases, the newly created farms were too small to be viable and the peasants deserted them. Some countries, like Syria, seem to have recognized this problem and taken steps to correct it. Others, like Iraq, seem to be more doubtful.

The long history of "urban bias" exacerbates the problem. Governments in the region always have been based on the cities. Only a few, like the Syrian government, draw their main political support from the countryside. This history, joined with the rush to industrialize, spawned policies which either discriminated against agriculture or abandoned it to underdevelopment.

The rural sector received a relatively low share of public investment in many countries, while discriminatory price policies and political uncertainty often deterred private investment.

Although most governments talk about spreading education and literacy, in many countries, the majority of the rural population, especially women, remain illiterate. And, the powers that be often do not have much technology tailored for such areas.

Governments have tried to remedy the lack by expanding irrigation. Two problems have plagued these efforts: One is "gigantism" — the desire to build huge, "prestige" projects, such as the Aswan Dam in Egypt or the Tabqa Dam in Syria. Planners have been disappointed by soaring costs and shrinking benefits, especially for the land reclamation projects that usually accompany such plans. Second, high costs, heavy demands of other projects and simple myopia have led to a neglect of drainage. Since irrigation without drainage chokes the soil and poisons plants with salt, agricultural disaster results. Large areas of Upper Egypt, Iraq and Syria are seriously affected.

Arab agriculture faces socio-political as well as ecological difficulties. Two constraints stand out: land tenure systems and the twin evils of urban bias and rural neglect. Although land in the Arab world is more equally distributed than in Latin America, the situation is worse than in East or Southeast Asia. In areas that have not experienced effective land reform, large, moderately capitalized farms owned by a wealthy minority co-exist with the small, scarcely viable dwarf holdings of the rural majority.

Often the legacy of colonialism and even earlier inequalities, such "bimodal" land tenure systems, are both iniquitous and inefficient. Often, the large farmers are able to take the most of credit-subsidized inputs and other government aids. They invest in labor-saving and employment-reducing mechanization and produce luxury foods such as fruits, vegetables and stall-fed livestock. Meanwhile, population pressure and Moslem inheritance law leads to ever-increasing dwarf holdings.

Some countries — Egypt, Syria, Iraq and Algeria — launched land reform programs in the 1950s and 1960s. These reforms removed the largest landlords, however, a relatively small percentage of the total land area was affected — in Egypt, 12 percent. Worse, often the state removed the large landlords as suppliers of marketing, credit and inputs to small farmers without a replacement.

The Egyptians did best with their system of cooperatives, and other countries tried to emulate them. But because some governments lacked the cadre and the will, many farms were abandoned. In other cases, the newly created farms were too small to be viable and the peasants deserted them. Some countries, like Syria, seem to have recognized this problem and taken steps to correct it. Others, like Iraq, seem to be more doubtful.

The long history of "urban bias" exacerbates the problem. Governments in the region always have been based on the cities. Only a few, like the Syrian government, draw their main political support from the countryside. This history, joined with the rush to industrialize, spawned policies which either discriminated against agriculture or abandoned it to underdevelopment.

The rural sector received a relatively low share of public investment in many countries, while discriminatory price policies and political uncertainty often deterred private investment.

Although most governments talk about spreading education and literacy, in many countries, the majority of the rural population, especially women, remain illiterate. And, the powers that be often do not have much technology tailored for such areas.

Governments have tried to remedy the lack by expanding irrigation. Two problems have plagued these efforts: One is "gigantism" — the desire to build huge, "prestige" projects, such as the Aswan Dam in Egypt or the Tabqa Dam in Syria. Planners have been disappointed by soaring costs and shrinking benefits, especially for the land reclamation projects that usually accompany such plans. Second, high costs, heavy demands of other projects and simple myopia have led to a neglect of drainage. Since irrigation without drainage chokes the soil and poisons plants with salt, agricultural disaster results. Large areas of Upper Egypt, Iraq and Syria are seriously affected.

Arab agriculture faces socio-political as well as ecological difficulties. Two constraints stand out: land tenure systems and the twin evils of urban bias and rural neglect. Although land in the Arab world is more equally distributed than in Latin America, the situation is worse than in East or Southeast Asia. In areas that have not experienced effective land reform, large, moderately capitalized farms owned by a wealthy minority co-exist with the small, scarcely viable dwarf holdings of the rural majority.

Often the legacy of colonialism and even earlier inequalities, such "bimodal" land tenure systems, are both iniquitous and inefficient. Often, the large farmers are able to take the most of credit-subsidized inputs and other government aids. They invest in labor-saving and employment-reducing mechanization and produce luxury foods such as fruits, vegetables and stall-fed livestock. Meanwhile, population pressure and Moslem inheritance law leads to ever-increasing dwarf holdings.

Some countries — Egypt, Syria, Iraq and Algeria — launched land reform programs in the 1950s and 1960s. These reforms removed the largest landlords, however, a relatively small percentage of the total land area was affected — in Egypt, 12 percent. Worse, often the state removed the large landlords as suppliers of marketing, credit and inputs to small farmers without a replacement.

The Egyptians did best with their system of cooperatives, and other countries tried to emulate them. But because some governments lacked the cadre and the will, many farms were abandoned. In other cases, the newly created farms were too small to be viable and the peasants deserted them. Some countries,

AGRICULTURAL DEVELOPMENT IN THE ARAB WORLD

Selected Arab Countries' Agricultural Imports 1979-'82

Total Agricultural Imports

Importer	1979	1980	1981	1982
Egypt	2,523	3,363	4,012	3,960
Morocco	789	942	1,180	1,450
Algeria	1,634	2,450	3,100	3,400
Libya	893	1,103	1,200	1,600
Syria	430	531	580	700
Jordan	389	439	500	600
Iraq	1,379	1,988	2,201	2,800
Iran	2,128	2,775	3,473	4,350
Saudi Arabia	3,088	4,400	5,970	6,700
Kuwait	798	1,012	1,300	1,470
UAE	930	1,330	1,200	1,300

EC Exports to Selected Arab Countries (Millions of Dollars)

Importer	1979	1980	1981	1982
Egypt	450	861	1,100	850
Morocco	309	370	500	620
Algeria	487	731	880	970
Libya	398	573	685	840
Syria	159	287	315	380
Jordan	119	141	170	200
Iraq	229	399	500	790
Iran	352	871	1,260	1,520
Saudi Arabia	710	1,024	1,370	1,950
Kuwait	146	198	285	300
UAE	173	295	314	300

U.S. Exports to Selected Arab Countries (Millions of Dollars)

Importer	1979	1980	1981	1982
Egypt	601	770	967	—
Morocco	94	133	158	—
Algeria	1,261	176	291	—
Libya	18	15	14	—
Syria	46	26	35	—
Jordan	32	71	65	—
Iraq	146	255	125	—
Iran	415	8	248	—
Saudi Arabia	326	373	466	—
Kuwait	23	47	60	—
UAE	44	114	59	—

Widespread Shortage of Water Threatens Region's Hopes for Food Self-Sufficiency

By Anne Charnock

LONDON — Plans by Middle East countries to import quantities of fresh water reflect the dire situation that many countries in the area face in finding water. Development has been curtailed because of acute water shortages.

A United Nations seminar, to be held in May in London, will discuss the possibilities of empty oil tankers carrying fresh-water barges to the Middle East where the water would be used for irrigation. In desperation, governments even have considered proposals for towing icebergs from polar regions to their coasts. More recently, the Japanese suggested that mountain-size inflatable tents could be sited along the peninsula's shoreline, which, theoretically, would force cumulus clouds to form and to produce rainfall.

But apart from such fantastic ideas, improved old and new technologies — such as dams, reservoirs, lengthy pipe systems, desalination, treated sewage, hydroponics, sprinklers and trickle irrigation — have become the basic major investment programs to get and to conserve water.

Of all the Middle East countries probably the best-endowed with water resources is Iraq, with two of the region's mightiest rivers, the Tigris and Euphrates. To increase irrigated land, Iraq is building dams, the most prestigious of which is the \$1-billion, 100-meter-high Mosul Dam. It will retain water from the upper Tigris to irrigate 100,000 hectares on the Jezira Plain. The Haditha dam on the Euphrates, due for inauguration in 1985, will supply irrigation projects in the Euphrates basin.

Perhaps the greatest difference in the region exists between Iraq and its neighbor, Kuwait, where most of the country's water comes from desalination plants.

According to the U.S. Agency for International Development's desalination manual, one-third of all desalination plants are in the Middle East and North Africa, with two-thirds (5 million cubic meters a day) of worldwide capacity.

Before desalination, saline re-

sources are depleting rapidly. In some coastal areas of Qatar, for example, seawater is encroaching on freshwater aquifers by one kilometer a year from overpumping.

Other countries, too, are approaching crises — Bahrain, North Yemen, the United Arab Emirates and Kuwait.

The only solutions are to create more reservoirs that will recharge aquifers or to restrict new drilling and extraction from existing wells.

Such are Iraq's resources that a second major export of its waters must be found and, to date, desalination is the preferable water retrievable method in countries with plenty of cash. Saudi Arabia aims to have 18 plants by 1985 producing nearly 1.5 million cubic meters a day.

In February, King Fahd inaugurated a plant to take desalinated seawater inland from the world's largest desalination plant at Jubail to Riyadh, a distance of 470 kilometers. The water is conveyed by a \$4-billion pipeline and is to be the second largest continually welded water pipeline in the world.

The Bahrain government hopes to increase desalination capacity.

Bahrain's most recent contract is for a 46,000-cubic-meter-a-day plant at Ras Abu Jarir.

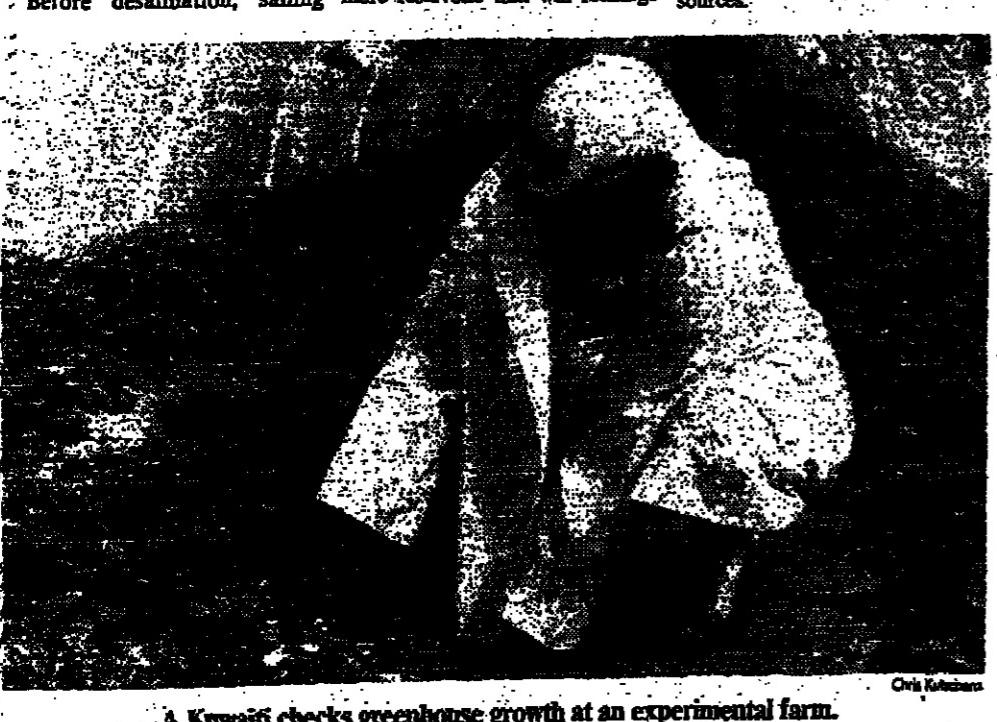
Qatar is building the world's largest combined desalination and gas turbine power complex at Ras Abu Fontas, which will yield 270,000 cubic meters a day.

But as desalination is costly, governments today are trying the production of treated sewage as a nutrient-rich source of irrigation water.

Potentially, the health risks are high and outbreaks of dysentery have been reported in Saudi Arabia as a result of treated sewage. The Food and Agriculture Organization has stressed the need for further research aimed at finding a method conserving nutrients while removing toxic elements and pathogens from waste waters.

Other cities — Tehran, Cairo — are planning to re-use their sewage effluents.

With Arab countries thus exploiting their surface and underground water sources virtually to the limit, it is understandable why any new idea, however bizarre, is scrutinized. Water has become the limiting factor in all plans and for many countries no expense will be spared in developing new resources.



A Kuwaiti checks greenhouse growth at an experimental farm.

Controversy Surrounds Kenana Project in Sudan

By David B. Ottaway

KENANA, Sudan — On the fertile dark soil of the savannah plains along the white Nile, the world's second largest sugar mill and refinery finally has begun production — a reminder of the Sudan's past dreams of prosperity as the imagined "breadbasket" of the Arab world.

The 83,400-acre sugarcane plantation, with an ultramodern plant capable of producing 330,000 tons annually, cost somewhere from \$700 million to \$800 million to put up and is without a doubt a monument to Western technology and ingenuity.

It was built 200 miles south of Khartoum, and its constructors faced obstacles from the absence of roads to the site to repeated shortages of capital to cover huge overruns on the projected cost of \$100 million to \$125 million.

The strategy was partly a re-

talization of Sudan as one Western analyst put it, "beginning to get back on the right path" after years of wallowing in economic mismanagement and stagnation and spurring its natural enormous land and water resources.

Yet, controversy still swirls around Kenana, which stands as a test case of a theory of economic development fashionable in the mid-1970s called "trilateralism." The idea was to combine Western technology and Arab "petrodollars" to tap Africa's vast agricultural resources. The question remains, however, whether the supposed beneficiaries, like Sudan, one of the world's poorest nations, can afford the theory — now or ever.

The strategy for the Sudan was worked out by the Kuwait-based Arab Fund for Economic and So-

cial Development, which drew up a plan giving new hope to the Sudan today as a major economic and political liability, and its main financial backers, Saudi Arabia and Kuwait, have turned inward to spur a boom in farming by their own nationals on far more difficult desert terrain.

That went wrong is an intriguing question to which there appears to be as many answers as there are pundits, economists and theorists of Sudan's disastrous performance.

Today, few talk about Sudan any longer as anything but a "basket case" of economic development so huge are its outstanding debts (\$7.8 billion), so behind is it in payment of arrears (\$3 billion rescheduled for this year) and so bankrupt is its treasury, facing a current \$1.6 billion gap in its balance of payments.

The Gulf states, which were sup-

posed to bankroll the "breadbat-

" strategy, mostly look on the Sudan today as a dustbin of history," he added. But even this pessimist did not rule out the possibility that "maybe in 20 years" it would come alive again.

Meanwhile, Sudan is trying to cope with a landscape strewn with brand-new but closed-down factories, failed schemes and half-completed projects that have made this country into a junkyard of development schemes and nightmares for the government.

The sugar industry is one case in point. The government once planned to boost production to 750,000 tons by 1980, enough to cover all local consumption and allow exports of 300,000 tons to the Arab gulf states. Since the Sudan was once spending \$1 million a day on sugar imports and still half a million dollars last year, the plan seemed sound economic sense.

But just about everything that could conceivably go wrong did so, and the country will not even cover its own needs in sugar for another two years, let alone export any.

One major disaster occurred 20 miles northwest of Kenana at Asalsaya, where a 110,000-ton sugar refinery was built in 1978 but almost immediately closed down due to problems ranging from the installation of second-hand boilers, insufficient steam generation and a faulty lubrication system to a poorly managed irrigation system and legal suits against the British contractors Fletcher and Stewart.

To top off its troubles, the plant now is listing, with one side two feet higher than the other, because it was built on soil that swells and cracks with the weather. Outside consultants are now discussing how to repair the mill and whether it will have to be moved to a new location at the cost of millions.

Kenana has been the lone success in the Sudan's plan to build a viable sugar industry. But the economics even of Kenana are full of "ifs" because of the nature of the world sugar market, and it is far from clear when, if ever, it will return a profit.

Two years after inauguration, its production has surpassed 200,000 tons. If all goes well, it should reach peak capacity of 350,000 in two years. This should be enough finally, together with four ailing state-run sugar plants now being overhauled, to meet the Sudan's needs.

Kenana may shortly make the Sudan self-sufficient in sugar. But ironically it appears that either the government or the company will have to pay the price for reaching this goal.

New Techniques Advance Output of Garden Farms

By Alan Cartwright

LONDON — Traditionally, the most successful aspect of agriculture in the Arab world — garden-style fruit and vegetable growing — is the sector that could most easily achieve self-sufficiency on a commercial basis.

The outlook for garden-style fruit and vegetable growing has been revolutionized in the last decade by spread or drip irrigation. Water laden with fertilizers and nutrients is fed under pressure through small-bore plastic pipes and delivered at controlled rates of quantity and frequency to the root zones of every plant.

Middle East experiments prove that a conventional farm yield of 8 tons of tomatoes per hectare can be multiplied with drip irrigation to 80 tons. By giving each plant its exact minimum requirement of enriched water on a regular daily basis, the grower can protect his crop from deprivations which reduce its potential for early high yield. And nutrient losses are avoided because no reliance is placed on the soil to retain applied fertilizer.

It was the realization that drip irrigation techniques could free the commercial grower from the soil and its attendant problems that led to the development of the even more productive hydroponics and nutrient film techniques. These revolutionary systems, which have swept horticulture into the new world of "controlled-environment soil-less cultivation," have turned the water-deprived and soil-deficient Arabian deserts into test beds of research and development for tomorrow's food production excesses.

Under these systems, suitable crops such as tomatoes and cucumbers are raised in plastic troughs or similar artificial media inside plastic or glasshouse greenhouses where computerized "total environment control" techniques are applied to regulate temperature, humidity, solar gain, pest control, air-conditioning and cleanliness. Even human presence is kept to a minimum.

Though such installations require large initial capital outlays, they are more efficient and less wasteful than conventional methods, producing yields as much as eight times higher per cropping and increasing the number of croppings to three a year. One such venture in Saudi Arabia is gearing up for a production over five hectares of 40 kilograms per square meter of tomatoes and 60 kilograms per square meter of cucumbers. This would double the productivity of a standard drip irrigation and multiply by 10 times the yield of a traditional farm.

Representing the best horticultural techniques, such automated installations are being pioneered in the oil-rich states. In the Middle East, climatic and geographic constraints on conventional farming combine with a shortage of labor and an abundance of ready capital to make these installations interesting propositions for substantial investors who can wait for financial returns.

But in the less wealthy Arab nations, the benefits of modern horticultural techniques are available on a simpler scale, even to peasant farmers, through the help of governments aware of the positive social and economic effects of high-yielding quick-cash crops.

Along with drip irrigation, other new techniques, such as plastic

milking and milk sales of \$29 million.

In order to feed the livestock, Masstock has about 6,000 hectares (15,000 acres) of desert under cultivation by center-pivot irrigation. Fodder requirements are filled by about 1,000 hectares of Sudan grass, Rhodes grass and alfalfa. The remainder of the land is sown in profitable wheat and Masstock has begun expansion to double wheat acreage. Masstock has averaged yields of 5.5 tons per hectare on new fields, as high as 7.5 tons on older fields and is aiming for 10 tons a hectare.

The McGuckians installed and operated the first center-pivot irrigation used in Saudi Arabia in 1976 on a government-owned farm at Harad. Today, Masstock is participating in 21 separate farm projects with 93 pivots and is one of the largest wheat growers in the kingdom.

The company also is involved in raising about 15,000 sheep and in commercial trials growing potatoes and a variety of summer crops such as tomatoes, melons, soybeans and maize; peanuts and cotton. Attempts to raise beef cattle for the Saudi market proved unviable, Mr. McGuckian said.

Masstock Saudi Limited is a joint venture between Masstock International, the McGuckian brothers' holdings in the United Kingdom and

Protect your valuable date palms.

The superior Supracide® and its tailor-made method of application developed by Ciba-Geigy in the Kingdom provide long-lasting protection against the date palm borer.

Poultry meat — the Kingdom's No. 1 source of protein.</

ARTS / LEISURE

Modern Works: Good Buys?

By Souren Melikian
International Herald Tribune

MANY potential buyers impressed by the fuses that auction-house spokesmen make over the latest world record in one field or another seem to feel that there is nothing left for them. As great art gets scarcer and prices soar, they feel they are being priced out of the market. In real life things are different, as has been demonstrated by the latest round of 19th and 20th-century paintings in London and Paris.

Scarcity is unquestionable in some sectors, mainly that of works by the leading Impressionists and their related fields, such as the Pointillists. Scarcity is still a lot to be bought, some paintings occasionally being splendiferous. A fine view of

estimate of £70,000 to £80,000. It could hardly be recommended as a brilliant buy.

It is on the periphery of Impressionism that there is still a lot to be bought, some paintings occasionally being splendiferous. A fine view of

THE ART MARKET

Antibes by Eugène Boudin in 1893 with an unusual golden light was sold in Paris March 19 for just over 290,000 francs (about \$40,000), not a great deal of money. Another Boudin painting of fishing boats on a green sea made nearly twice as much at Sotheby's Impressionist and Modern master sale of March 23, which is dearly paid for a work that is not very characteristic. Admittedly very attractive in itself, it was probably bought by the weak spot the English have always had for boats in the high seas under a windswept sky full of clouds.

This did not prevent a third Boudin from failing to reach its reserve price in the same sale. Utterly atypical of Boudin's repertoire, it shows the old mill at Pont Aven. The excellent brushwork, however, is unmistakably Boudin's. It once belonged to the Dutch collector H.E. Ten Cate, possibly because it is the closest that Boudin ever got to the mood of Hobbema and Rysselberghe. With this provenance, it should have sold within Sotheby's £22,000 to £25,000 estimate. In the long term this would have turned out to be quite a good buy — a far better one, surely, than the tiny, 16-by-24-centimeter landscape by Camille Pissarro in 1889 that sold for £23,100.

Ironically, it is for the least desirable paintings — either because they are poorly painted or because they are too small or because they are atypical of the artist's main stream of inspiration — that exaggerated prices have been paid off late.

In London an indifferent study by Renoir of a young girl having her hair done by her nursemaid was sold at Sotheby's for £220,000.

The painting is small — 30 by 30 centimeters — the brushwork fast

but not brilliant. Sotheby's presale estimate, £200,000 to £250,000, suggests that the buyer got it at just about the reserve price, i.e., the minimum demanded by the vendor — since nowadays, estimates reflect the prices that the auction house and vendor wish to get rather than what may be reasonably expected. That Renoir, in the view of some well-known professionals, would have been well sold at around £150,000.

The reserve price trick does not always work. Alfred Sisley was represented at Sotheby's March 23 sale by a landscape — clusters of trees in the foreground through which two tiny feminine silhouettes can be seen walking down a country lane under an expanse of a rather monotonous grayish sky.

Those who have been watching the market long enough can remember it from the days when it had a hole and was available for sale in Paris in the mid-1970s at 150,000 francs.

Level Five is given over to the Print Room, where the thousands of fine-art and reproduction prints not on display may be examined by request. Level Four displays the National Collection of portrait miniatures; the C.A. Jones collection of Old Master, French 19th-century and English pre-Raphaelite paintings; European paintings from the 16th to 19th centuries; watercolors and graphics by British abstract artists. The Avant-Garde in Britain 1930-40. The main Henry Cole Gallery has as its major exhibition "Pattern and Design: Designs for the Decorative Arts 1480-1980." This includes drawings and prints as the raw materials of design, displayed alongside the finished objects.

All manner of things are here, from Italian maiolica dishes to Orsi's designs for sword hilts; from John Linnell's chinoiserie lacquered overmantel mirror to Robert Stothard's silver candelabrum; from a silk damask petticoat of the 1740s to a wallpaper designed by William Morris. What sounds in print like a hodge-podge is a delightful excursion into social and design history, and a fitting introduction to the V&A's other collections.

Level Three has two rooms of

prints, displayed alongside the finished objects.

All manner of things are here, from Italian maiolica dishes to Orsi's designs for sword hilts;

from John Linnell's chinoiserie lacquered overmantel mirror to Robert Stothard's silver candelabrum;

from a silk damask petticoat of the 1740s to a wallpaper designed by William Morris.

What sounds in print like a hodge-podge is a delightful excursion into social and design history, and a fitting introduction to the V&A's other collections.

The reserve price trick does not always work. Alfred Sisley was represented at Sotheby's March 23 sale by a landscape — clusters of trees in the foreground through which two tiny feminine silhouettes can be seen walking down a country lane under an expanse of a rather monotonous grayish sky.

Those who have been watching the market long enough can remember it from the days when it had a hole and was available for sale in Paris in the mid-1970s at 150,000 francs.

Level Five is given over to the Print Room, where the thousands of fine-art and reproduction prints not on display may be examined by request. Level Four displays the National Collection of portrait miniatures; the C.A. Jones collection of Old Master, French 19th-century and English pre-Raphaelite paintings; European paintings from the 16th to 19th centuries; watercolors and graphics by British abstract artists. The Avant-Garde in Britain 1930-40. The main Henry Cole Gallery has as its major exhibition "Pattern and Design: Designs for the Decorative Arts 1480-1980." This includes drawings and prints as the raw materials of design, displayed alongside the finished objects.

All manner of things are here, from Italian maiolica dishes to Orsi's designs for sword hilts;

from John Linnell's chinoiserie lacquered overmantel mirror to Robert Stothard's silver candelabrum;

from a silk damask petticoat of the 1740s to a wallpaper designed by William Morris.

What sounds in print like a hodge-podge is a delightful excursion into social and design history, and a fitting introduction to the V&A's other collections.

The reserve price trick does not always work. Alfred Sisley was represented at Sotheby's March 23 sale by a landscape — clusters of trees in the foreground through which two tiny feminine silhouettes can be seen walking down a country lane under an expanse of a rather monotonous grayish sky.

Those who have been watching the market long enough can remember it from the days when it had a hole and was available for sale in Paris in the mid-1970s at 150,000 francs.

Level Five is given over to the Print Room, where the thousands of fine-art and reproduction prints not on display may be examined by request. Level Four displays the National Collection of portrait miniatures; the C.A. Jones collection of Old Master, French 19th-century and English pre-Raphaelite paintings; European paintings from the 16th to 19th centuries; watercolors and graphics by British abstract artists. The Avant-Garde in Britain 1930-40. The main Henry Cole Gallery has as its major exhibition "Pattern and Design: Designs for the Decorative Arts 1480-1980." This includes drawings and prints as the raw materials of design, displayed alongside the finished objects.

All manner of things are here, from Italian maiolica dishes to Orsi's designs for sword hilts;

from John Linnell's chinoiserie lacquered overmantel mirror to Robert Stothard's silver candelabrum;

from a silk damask petticoat of the 1740s to a wallpaper designed by William Morris.

What sounds in print like a hodge-podge is a delightful excursion into social and design history, and a fitting introduction to the V&A's other collections.

The reserve price trick does not always work. Alfred Sisley was represented at Sotheby's March 23 sale by a landscape — clusters of trees in the foreground through which two tiny feminine silhouettes can be seen walking down a country lane under an expanse of a rather monotonous grayish sky.

Those who have been watching the market long enough can remember it from the days when it had a hole and was available for sale in Paris in the mid-1970s at 150,000 francs.

Level Five is given over to the Print Room, where the thousands of fine-art and reproduction prints not on display may be examined by request. Level Four displays the National Collection of portrait miniatures; the C.A. Jones collection of Old Master, French 19th-century and English pre-Raphaelite paintings; European paintings from the 16th to 19th centuries; watercolors and graphics by British abstract artists. The Avant-Garde in Britain 1930-40. The main Henry Cole Gallery has as its major exhibition "Pattern and Design: Designs for the Decorative Arts 1480-1980." This includes drawings and prints as the raw materials of design, displayed alongside the finished objects.

All manner of things are here, from Italian maiolica dishes to Orsi's designs for sword hilts;

from John Linnell's chinoiserie lacquered overmantel mirror to Robert Stothard's silver candelabrum;

from a silk damask petticoat of the 1740s to a wallpaper designed by William Morris.

What sounds in print like a hodge-podge is a delightful excursion into social and design history, and a fitting introduction to the V&A's other collections.

The reserve price trick does not always work. Alfred Sisley was represented at Sotheby's March 23 sale by a landscape — clusters of trees in the foreground through which two tiny feminine silhouettes can be seen walking down a country lane under an expanse of a rather monotonous grayish sky.

Those who have been watching the market long enough can remember it from the days when it had a hole and was available for sale in Paris in the mid-1970s at 150,000 francs.

Level Five is given over to the Print Room, where the thousands of fine-art and reproduction prints not on display may be examined by request. Level Four displays the National Collection of portrait miniatures; the C.A. Jones collection of Old Master, French 19th-century and English pre-Raphaelite paintings; European paintings from the 16th to 19th centuries; watercolors and graphics by British abstract artists. The Avant-Garde in Britain 1930-40. The main Henry Cole Gallery has as its major exhibition "Pattern and Design: Designs for the Decorative Arts 1480-1980." This includes drawings and prints as the raw materials of design, displayed alongside the finished objects.

All manner of things are here, from Italian maiolica dishes to Orsi's designs for sword hilts;

from John Linnell's chinoiserie lacquered overmantel mirror to Robert Stothard's silver candelabrum;

from a silk damask petticoat of the 1740s to a wallpaper designed by William Morris.

What sounds in print like a hodge-podge is a delightful excursion into social and design history, and a fitting introduction to the V&A's other collections.

The reserve price trick does not always work. Alfred Sisley was represented at Sotheby's March 23 sale by a landscape — clusters of trees in the foreground through which two tiny feminine silhouettes can be seen walking down a country lane under an expanse of a rather monotonous grayish sky.

Those who have been watching the market long enough can remember it from the days when it had a hole and was available for sale in Paris in the mid-1970s at 150,000 francs.

Level Five is given over to the Print Room, where the thousands of fine-art and reproduction prints not on display may be examined by request. Level Four displays the National Collection of portrait miniatures; the C.A. Jones collection of Old Master, French 19th-century and English pre-Raphaelite paintings; European paintings from the 16th to 19th centuries; watercolors and graphics by British abstract artists. The Avant-Garde in Britain 1930-40. The main Henry Cole Gallery has as its major exhibition "Pattern and Design: Designs for the Decorative Arts 1480-1980." This includes drawings and prints as the raw materials of design, displayed alongside the finished objects.

All manner of things are here, from Italian maiolica dishes to Orsi's designs for sword hilts;

from John Linnell's chinoiserie lacquered overmantel mirror to Robert Stothard's silver candelabrum;

from a silk damask petticoat of the 1740s to a wallpaper designed by William Morris.

What sounds in print like a hodge-podge is a delightful excursion into social and design history, and a fitting introduction to the V&A's other collections.

The reserve price trick does not always work. Alfred Sisley was represented at Sotheby's March 23 sale by a landscape — clusters of trees in the foreground through which two tiny feminine silhouettes can be seen walking down a country lane under an expanse of a rather monotonous grayish sky.

Those who have been watching the market long enough can remember it from the days when it had a hole and was available for sale in Paris in the mid-1970s at 150,000 francs.

Level Five is given over to the Print Room, where the thousands of fine-art and reproduction prints not on display may be examined by request. Level Four displays the National Collection of portrait miniatures; the C.A. Jones collection of Old Master, French 19th-century and English pre-Raphaelite paintings; European paintings from the 16th to 19th centuries; watercolors and graphics by British abstract artists. The Avant-Garde in Britain 1930-40. The main Henry Cole Gallery has as its major exhibition "Pattern and Design: Designs for the Decorative Arts 1480-1980." This includes drawings and prints as the raw materials of design, displayed alongside the finished objects.

All manner of things are here, from Italian maiolica dishes to Orsi's designs for sword hilts;

from John Linnell's chinoiserie lacquered overmantel mirror to Robert Stothard's silver candelabrum;

from a silk damask petticoat of the 1740s to a wallpaper designed by William Morris.

What sounds in print like a hodge-podge is a delightful excursion into social and design history, and a fitting introduction to the V&A's other collections.

The reserve price trick does not always work. Alfred Sisley was represented at Sotheby's March 23 sale by a landscape — clusters of trees in the foreground through which two tiny feminine silhouettes can be seen walking down a country lane under an expanse of a rather monotonous grayish sky.

Those who have been watching the market long enough can remember it from the days when it had a hole and was available for sale in Paris in the mid-1970s at 150,000 francs.

Level Five is given over to the Print Room, where the thousands of fine-art and reproduction prints not on display may be examined by request. Level Four displays the National Collection of portrait miniatures; the C.A. Jones collection of Old Master, French 19th-century and English pre-Raphaelite paintings; European paintings from the 16th to 19th centuries; watercolors and graphics by British abstract artists. The Avant-Garde in Britain 1930-40. The main Henry Cole Gallery has as its major exhibition "Pattern and Design: Designs for the Decorative Arts 1480-1980." This includes drawings and prints as the raw materials of design, displayed alongside the finished objects.

All manner of things are here, from Italian maiolica dishes to Orsi's designs for sword hilts;

from John Linnell's chinoiserie lacquered overmantel mirror to Robert Stothard's silver candelabrum;

from a silk damask petticoat of the 1740s to a wallpaper designed by William Morris.

What sounds in print like a hodge-podge is a delightful excursion into social and design history, and a fitting introduction to the V&A's other collections.

The reserve price trick does not always work. Alfred Sisley was represented at Sotheby's March 23 sale by a landscape — clusters of trees in the foreground through which two tiny feminine silhouettes can be seen walking down a country lane under an expanse of a rather monotonous grayish sky.

Those who have been watching the market long enough can remember it from the days when it had a hole and was available for sale in Paris in the mid-1970s at 150,000 francs.

Level Five is given over to the Print Room, where the thousands of fine-art and reproduction prints not on display may be examined by request. Level Four displays the National Collection of portrait miniatures; the C.A. Jones collection of Old Master, French 19th-century and English pre-Raphaelite paintings; European paintings from the 16th to 19th centuries; watercolors and graphics by British abstract artists. The Avant-Garde in Britain 1930-40. The main Henry Cole Gallery has as its major exhibition "Pattern and Design: Designs for the Decorative Arts 1480-1980." This includes drawings and prints as the raw materials of design, displayed alongside the finished objects.

All manner of things are here, from Italian maiolica dishes to Orsi's designs for sword hilts;

from John Linnell's chinoiserie lacquered overmantel mirror to Robert Stothard's silver candelabrum;

from a silk damask petticoat of the 1740s to a wallpaper designed by William Morris.

What sounds in print like a hodge-podge is a delightful excursion into social and design history, and a fitting introduction to the V&A's other collections.

The reserve price trick does not always work. Alfred Sisley was represented at Sotheby's March 23 sale by a landscape — clusters of trees in the foreground through which two tiny feminine silhouettes can be seen walking down a country lane under an expanse of a rather monotonous grayish sky.

Those who have been watching the market long enough can remember it from the days when it had a hole and was available for sale in Paris in the mid-1970s at 150,000 francs.

Level Five is given over to the Print Room, where the thousands of fine-art and reproduction prints not on display may be examined by request. Level Four displays the National Collection of portrait miniatures; the C.A. Jones collection of Old Master, French 19th-century and English pre-Raphaelite paintings; European paintings from the 16th to 19th centuries; watercolors and graphics by British abstract artists. The Avant-Garde in Britain 1930-40. The main Henry Cole Gallery has as its major exhibition "Pattern and Design: Designs for the Decorative Arts 1480-1980." This includes drawings and prints as the raw materials of design, displayed alongside the finished objects.

All manner of things are here, from Italian maiolica dishes to Orsi's designs for sword hilts;

from John Linnell's chinoiserie lacquered overmantel mirror to Robert Stothard's silver candelabrum;

from a silk damask petticoat of the 1740s to a wallpaper designed by William Morris.

What sounds in print like a hodge-podge is a delightful excursion into social and design history, and a fitting introduction to the V&A's other collections.

The reserve price trick does not always work. Alfred Sisley was represented at Sotheby's March 23 sale by a landscape — clusters of trees in the foreground through which two tiny feminine silhouettes can be seen walking down a country lane under an expanse of a rather monotonous grayish sky.

Those who have been watching the market long enough can remember it from the days when it had a hole and was available for sale in Paris in the mid

BUSINESS BRIEFS

Atari Sues Co-Founder to Delay Competition by His New Venture

SAN JOSE, California (UPI) — Atari, the electronics giant that sparked the video game explosion in 1972, has filed suit against one of its founders to stop him from competing against it.

The co-founder, Nolan K. Bushnell, sold Atari to Warner Communications in 1976, agreeing at the time not to compete in the video game market until October 1983. But Mr. Bushnell already has made public statements that he plans to re-enter the market on Oct. 1, which the owners of Atari say means he would have too big a jump and therefore, would violate the spirit of the agreement.

Bushnell, after selling his stock in Atari for \$15 million, founded Pizza Time Theater, which recently purchased Video, a video game research and development firm made up of former Atari engineers. Mr. Bushnell has sought financing for his video game venture, and has been quoted in news reports as saying he expected his venture to capture 40 percent of the video game market within four years.

Japan Requests Motorcycle Talks

TOKYO (Reuters) — Japan has asked the United States for consultations on the Reagan administration's decision to impose higher tariffs on large imported motorcycles, the Foreign Ministry said Friday.

President Ronald Reagan on April 1 raised import tariffs on motorcycles with engines of 700 cc or more to 49.4 percent from 4.4 percent after ruling that foreign competition was causing serious injury to the sole U.S. manufacturer, Harley-Davidson Motor.

Thyssen Dividend Is Uncertain

DUISBURG, West Germany (Reuters) — Thyssen's losses in steel and steel products are so great that the dividend payment for the current financial year to Sept. 30 remains in question, Dieter Spethmann, managing board chairman, said at a shareholders' meeting Friday. Thyssen had announced an unchanged dividend of two Deutsche marks for 1981-82.

Mr. Spethmann said world group external sales in the first half of the 1982-83 year averaged 2.3 billion DM (\$931 million) a month, a 9-percent fall from a year earlier.

BHP of Australia Reports Loss

MELBOURNE (Reuters) — Broken Hill Pty., Australia's biggest company, reported a net loss Friday of \$2.6 million Australian dollars (\$82.2 million) for the third quarter, which ended Feb. 28.

The result takes the cumulative net loss for the first nine months of the year to May 31 to 30.3 million dollars, BHP said. There are no previous comparable figures because BHP did not release quarterly results before the current year.

Rumasa Owners Sue State

MADRID (Reuters) — Former owners of Rumasa, the holding company expropriated by the Spanish government in February, sued for repossession of their shares, court sources said.

Former president José María Ruiz Mateos and his five brothers, sole shareholders of the holding company, say the expropriation decree deprived them of any means of defense by immediately placing all shares and company records under state control.

The plaintiffs asked a Madrid court to impound the shares and records and block any meeting of Rumasa-controlled companies' shareholders called by the state administrators, the sources said.

Court Blocks S&L Injunction Bid

MIAMI (Reuters) — A federal judge has blocked a request by shareholders in Biscayne Federal Savings & Loan Association for an injunction against the federal government's installation of a receiver.

U.S. District Judge Eugene Spellman also agreed on Thursday to hear Biscayne's arguments later this month that the takeover Wednesday by the federal Savings and Loan Insurance Corp. was illegal. Federal regulators have said that the bank's losses could reach \$35 million.

Company Notes

Anoco (Thailand) Petroleum, owned by Standard Oil of Indiana, has withdrawn from a consortium seeking a concession to explore in central Thailand because of Thailand's condition of first priority to buy oil or gas produced, a Thai official said in Bangkok. Other consortium members are Phillips Petroleum Exploration, British Petroleum and Marathon Oil.

CRA of Australia plans to increase the face value of its shares to two Australian dollars each from 50 cents to enable the share value to more accurately reflect the company's underlying asset values. CRA has 434,83 million shares on issue.

Sponge A Success

(Continued from Page 9) which Mr. Vorheiser declined to identify, ended their loan support after their research departments expressed doubts that the company could win approval.

But a friend, a gynecologist named Earl Fuller, organized 30 physicians and raised \$500,000 to keep the company going and continue tests required by the FDA.

In May 1981, Mr. Emmanuel of Seidler Amherst brought in \$2 million in venture capital from the Golder Toma Fund and Continental Illinois National Bank and Trust's venture fund, in Chicago, and from the Wall Street investment house Donaldson, Lufkin & Jenrette.

Two months later the group raised \$3 million more, and was joined by Continental Capital Ventures in San Francisco, the North-West Growth Fund in Minneapolis and U.S. Venture Partners of Menlo Park, California. All along the minimum share was \$15,000.

Mr. Vorheiser, who is VLI's largest stockholder although he said his share is less than 15 percent, said he expected VLI to be making money "early in 1984."

Manufacturing Orders Fall in West Germany

January up to its highest level since the end of 1979.

In February, total incoming orders in the investment goods sector in February fell 16.7 percent from January's level, with domestic incoming orders in the investment goods sector off 23.6 percent, the ministry figures showed.

The rules will allow commercial and noncommercial stations to provide the services, using the idle subchannels of their main signals.

Public stations, which had sought the new authority as a way to improve their troubled finances, expressed delight with the announcement Thursday.

The commission's actions will enable public radio to take the first essential steps toward financial security," said Richard Hodgetts, president for ventures at National Public Radio, or NRP.

In addition he said: "It is our belief that their decision will benefit both commercial and noncommercial licensees, providing exciting new industries."

NPR has been particularly interested in starting a nationwide paging service, allowing subscribers to be reached anywhere in the country where there is a participating public radio station.

The FCC decision, by a vote of 6 to 0, provides authority for the new type of business to 3,400 commercial FM stations and 1,100 non-commercial stations.

Like the use of blanking lines in television for teletext, authorized by the commission last week, the use of subchannels of FM signals is not noticeable to the listener. The program signal is unaffected by the material being broadcast on the subchannel.

Some special services are already offered on FM subchannels. For instance, the commercial Muzak background music is carried on FM stations using such channels, and in some communities special readings of books are offered for blind listeners. The FCC said Thursday that the stations had to continue the reading services for the blind.

Radio paging could consist of brief beeping signals indicating that the subscriber should call his office, or some other message.

Other applications of the technology could include the distribution of sports scores, stock quotations and pricing information at retail stores and elsewhere.

The Economics Ministry said the index of incoming orders in volume terms, base 1976, stood at a provisional 98 in February, down 4.9 percent from the February 1982 level of 103.

Now available direct from Standard & Poor's:

MASTER REFERENCE SOURCE TO ALL U.S. STOCKS



Special offer saves you \$12
Every month, over 375,000 smart American investments to Standard & Poor's STOCK GUIDE if you act now, you'll be guaranteed a monthly copy—and save \$12 in the bargain. You'll receive a monthly 368-page handbook published by Standard & Poor's, one of the world's leading publishers of financial information, packed with potentially explosive profit opportunities.

It's the source that other sources turn to with 2500 market-related investment facts.

Each volume has 48 items of information on over 5,100 common and preferred stocks. Exclusive S&P Earnings and Dividend Rankings for Common Stocks, Ratings for Preferred Stocks, Institutional Holdings, Trading Volume, Capitalization and Financial Position, 380 leading mutual funds, recommended funds and much, much more.

If you have not subscribed to the STOCK GUIDE before, you are eligible for a special offer that gives you 12 monthly issues for only \$75, which is a \$12 savings from the regular price, and which includes air delivery. If not completely satisfied, receive a refund on all unmailed issues.

ACT NOW! MAIL COUPON TODAY!

Standard & Poor's, Inc.

STANDARD & POOR'S CORPORATION
25 BROADWAY, NEW YORK, NY 10004, U.S.A.
Please enter my subscription to your STOCK GUIDE for only \$75, including air delivery for 12 monthly issues—air delivery included in price. Payment must be enclosed. I may receive more than one issue of equal or lesser value if not completely satisfied. I will receive a full refund on all unmailed issues.

Name (Print) _____
Address _____
City _____ Country _____
No assignment of the agreement without subscriber's consent XRS-1815

VALUE LINE brings COMPREHENSIVE COVERAGE OF 1700 AMERICAN STOCKS to European Investors

THE VALUE LINE INVESTMENT SURVEY continually reviews more than 1700 widely held American stocks. Key data and ranking for relative future price performance of each stock are kept up-to-date in the weekly Index. And about 130 new full-page reports are issued every week, so that each company is the subject of a complete report every 13 weeks. The full-page reports include operating and financial statistics going back 15 years and estimated 3 to 5 years ahead.

As a special introductory offer, you can receive 12 weeks of Value Line for only \$60, providing you have not had a subscription in the past two years. As a BONUS, you will also receive the 2000-page Investors Reference Service with the latest reports on over 1700 stocks, plus the 72-page guide, "A Subscriber's Guide." Send payment (no cash, please) along with name and address together with this ad to Dept. 213 MC2.

THE VALUE LINE

711 THIRD AVENUE, NEW YORK, N.Y. 10017, U.S.A.
Payment in local currencies (British £10, French F 410, Swiss Fr 125, DM 148) and requests for information should be directed to: Value Line, Attn: Alexandre de Saint-Paulis, 2 Ave de Villiers, 75007 Paris, (Tel. 551.8329). Distributed by KLM Royal Dutch Airlines Publication Distribution Service Holland.

Loan Exposure of Leading U.S. Banks

In Latin America countries as of Dec. 31, 1982. (Chase Manhattan as of 3rd quarter.)

Mexico		% Public Sector	% of Capital	% of Assets
Bank of America	\$2,500	56%	55%	2,05%
Bankers Trust	875	87	56	2.16
Chase Manhattan	1,600	*	58	1.98
Chemical	1,500	81	77	3.11
Citcorp	3,270	*	68	2.52
Crocker National	588	65	50	2.36
First Chicago	985	65	58	2.41
First Interstate	580	64	38	1.88
Mitg. Hanover	1,730	67	70	2.70
Morgan Guaranty	1,082	*	40	1.85
Security Pacific	525	50	35	1.42

Brazil		% Public Sector	% of Capital	% of Assets
Bank of America	\$2,300	70%	50%	1.88%
Bankers Trust	875	23	58	2.18
Chase Manhattan	2,025-2,632	*	73-95	2.50-3.25
Chemical	1,300	56	87	2.69
Citcorp	4,380	*	90	3.35
Crocker National	660	61	56	2.65
First Chicago	700	65	47	1.95
First Interstate	474	55	26	1.16
Mitg. Hanover	2,014	52	81	3.14
Morgan Guaranty	1,688	*	62	2.88
Security Pacific	490	*	33	1.32

Argentina		% Public Sector	% of Capital	% of Assets
Bank of America	*	*	33%	1.11%
Chase Manhattan	\$800	59%	15	0.77
Chemical	372	*	23	0.84
Citcorp	1,080	*	23	0.84
Crocker National	439	56	37	1.76
Mitg. Hanover	1,230	71	50	1.92
Morgan Guaranty	789	*	28	1.30
Security Pacific	175	*	12	0.47

Chile		% Public Sector	% of Capital	% of Assets
Chemical	\$368	35%	19%	0.76%
Crocker National	305	24	26	1.22
Mitg. Hanover	737	32	29	0.56

Venezuela		% Public Sector	% of Capital	% of Assets
Bank of America	\$2,000	49%	44%	1.64%
Bankers Trust	475	22	31	1.17
Chase Manhattan	675-1,283	*	24-46	0.83-1.58
Citcorp	1,080	*	23	0.84
Crocker National	263	63	22	1.05
Morgan Guaranty</td				

Friday's AMEX Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

U.S. Futures Prices

U.S. Futures Prices

Food									
ROUND WHITE POT									
50,000 lbs.; cents per lb.									
Nov 7.67 7.70 7.67 7.70 -0.05									
Est. sales 7, PTEC, sales 16.									
Prev day's open int 62,627, off 0.									
COFFEE C									
20,000 lbs.; cents per lb.									
May 121.75 122.10 121.25 121.55 +.26									
Jul 121.40 121.50 121.25 121.30 +.23									
Sep 121.00 121.25 119.90 120.65 +.55									
Oct 120.00 120.25 119.50 119.50 +.25									
Mar 117.75 117.75 117.75 117.75 +.25									
May 114.75 114.75 114.50 114.50 +.24									
Jul 111.75 111.75 110.25 110.25 +.12									
Sep 110.50 110.50 110.50 110.50 +.12									
Prev. sales 1,242.									
Prev day's open int 11,729.									
SUGAR-WORLD II									
112,000 lbs.; cents per lb.									
Nov 7.08 7.15 7.03 7.05 -.05									
Jul 7.00 7.05 7.02 7.05 -.05									
Sep 6.98 6.98 6.95 6.95 -.05									
Oct 6.96 6.97 6.95 6.95 -.05									
Mar 6.97 6.97 6.95 6.95 -.05									
Jul 6.97 6.97 6.95 6.95 -.05									
Sep 6.97 6.97 6.95 6.95 -.05									
Prev. sales 7,521.									
Prev day's open int 11,729.									
REAL									
Ibs. per ton									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19,000 19,000 19,000 +1.00									
19,000 19									

**COMPANY
EARNINGS**

EARNINGS

otherwise indicated.

Year	1982	1981
Revenue.....	712,160	724,400
Net Income.....	10,000	10,000

Profits	13,000.	15,840.
United States		
Dow Jones and Co.		

	1983	1982
1st Quar.		
Revenue.....	196.8	170.3
Net Inc.	23.47	18.12
Per Share	0.37	0.29

Per share.....

adjusted to reflect 2-for-1 stock split.

www.heraldtribune.com

Per share **U.S.** **U.K.**
Per share and average share figures
adjusted for profit 2-for-1 stock split

adjusted to reflect 2-for-1 stock split.

CROSSWORD PUZZLE

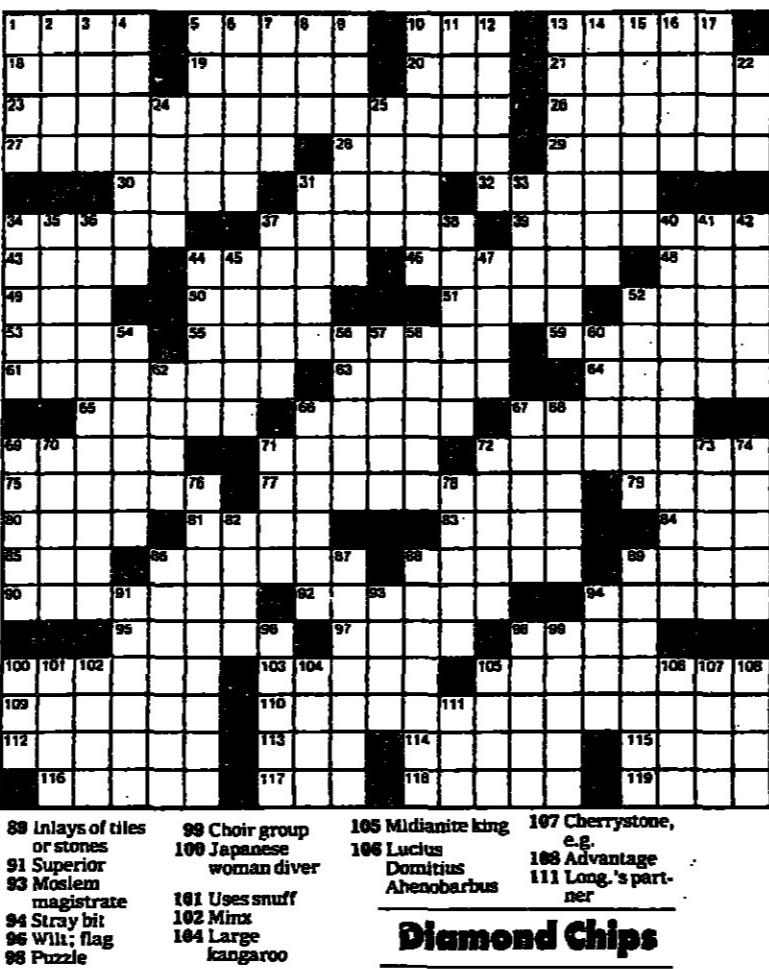
By Peter G. Snow

ACROSS

- Secure
- Postpone
- Down
- Swallows greedily
- Forts and Vigoda
- 19 Zulu
- 20 Household god
- 21 Gluck products
- 23 Make a start
- 26 One of the weasels
- 27 Pocul and Susten
- 28 Change type
- 29 Tulsan, e.g.
- 30 Wed.'s predecessor
- 31 Type of belt
- 32 A London suburb
- 34 —— up (gives info to)
- 37 Opposite of dynamic

DOWN

- Judicious
- Exorer
- Enterin
- Shaker Heights sights
- Roxana's author
- Eastern bigwigs
- Solo
- Trio in Lilliput
- Flag-flowering ceremony
- Flexible
- Slacken
- Actress Nissen
- or (defends)
- Slot-machine items
- School exec.
- Sensibl
- Sun.tak
- Blame
- Habitual path
- An arm of a worldwide org.
- Pounds upon back on
- Major Japanese seaport
- Pressures of a sort
- Classes
- site-festival
- Substitute in an emergency
- Book parts
- Speaks pompously
- Demi follower
- Buffalo hockey pro
- Excites
- Documenters
- Turned a lamp back on
- Nut
- Japanese seaport
- Pressure for Pompey
- Substitutes in an emergency
- Soil
- Imports
- Fred Muggs
- One's dander up
- Famed Fabian
- Vinegar container
- Stringed instruments
- Rene's school
- Inlays of tiles or stones
- Choir group
- Japanese woman diver
- Midamite king
- Cherrystone, e.g.
- Lucius
- Advantage
- Uses miffl
- Mint
- Large kangaroo



Diamond Chips

BOOKS

ARARAT

By D.M. Thomas. 191 pp. \$13.50.
Viking, 625 Madison Ave., New York,
N.Y. 10022.

Reviewed by
Christopher Lehmann-Haupt

Vladimir Nabokov would probably not have appreciated D.M. Thomas's "Ararat," the fourth and latest novel by the English poet who wrote "The White Hotel." Nabokov would have objected to all the Freud in "Ararat" — the proximity of Eros and Thanatos and artistic creativity, and the horn removed from the unicorn and placed in the lap of a female slave.

All the same, "Ararat" is a homage to Nabokov, along with many other figures in Russian literature. By enfolding the within tale within tale — each containing details of the one that frames it — Thomas has created a construction of mirrors that reflects a light captured only in the human imagination. Of this, Nabokov would have greatly approved.

Actually, a more immediate literary presence in "Ararat" is Alexander Pushkin. The novel's most captivating sections involve a retelling and completion of the Russian master's story-fragment, "Egyptian Nights," written and left incomplete in 1835, two years before Pushkin was killed in a duel. The story concerns the sudden appearance in St. Petersburg of a Neapolitan improvisatore, whose genius it is to be able to recite instantaneously epic poetry on any subject that his audience requests.

In the Pushkin original, the improviser recites a charming verse about three men who accept the

challenge to make love to Cleopatra at the price of their lives. As the game begins, the original story breaks off, but Thomas's narrator, a contemporary Russian poet named Victor Sunkov, continues to create what reads for all the world like a slightly awkward translation of a masterpiece. In the poem within the story, the first two lovers are executed, but the third, who turns out to be Cleopatra's son by an incestuous coupling with her brother Ptolemy, executes the executioner.

The only problem is that the framing story eventually leads to Pushkin's death in a duel with a guards officer he suspects of being his wife's lover, an actual reflection of history. Horrified, Sunkov, who has by now identified himself with Pushkin, undertakes another version of the ending in which the Neopolitan, failing to complete his improvisation, winds up getting himself beheaded for making love to a contemporary version of Cleopatra. The new ending is pure wit. The first is too close to reality to alter reality.

But this is a trivial aspect of creativity. The more important point seems to lie in the fact Sunkov's completion of Pushkin's story about improvisation is itself an improvisation by a Russian poet who is competing in a game of improvisation with an Armenian storyteller and an American "writer of romantic fiction" (whose contributions to the contest we will also read). And these three improvisations are in turn the creation of Sergei Rozanov, a Russian writer who, in the novel's ultimate framing story, has promised to improvise a story for a blind woman as recompense for having failed at making love to her.

We need only take this game of backward extrapolation two steps further to arrive, first, at D.M.

Thomas himself, who, after all, improvised this chain of improvisations, and then to the ultimate creator, who seems to be proposed in the following musings by Victor Sunkov, as his jet-plane, in another improvisation, approaches Kennedy International Airport to land him on a tour of the United States:

"And God? To imagine a maker of this blue gulf, those fleecy clouds, was merely to compound the impossible. For it was impossible, logically speaking, for all this, including Sunkov, to exist. Yet of course nothingness also was inconceivable. Moreover, the sky, the clouds, exhibited order and beauty. Darwinism doesn't explain it. To create all this mysterious existence, in only ten thousand million years — the merest blink of an eye! The spontaneous creation of order, like the improvisatore's 'Cleopatra'? No, I can't believe it. It may have happened by impulse, but it's not random."

Why Ararat? Mount Ararat was of course where Noah's Ark came to rest when the flood waters receded — the flood, everywhere evoked in Thomas's text, that washed away the evil of the world. Mount Ararat stands at the site of one of the earth's great modern evils, the act of genocide as it was practiced on Armenians by Turks in 1915.

Ararat is the place toward which all things in Thomas's novel tend — another version of the pastoral place of rest that is envisioned in the final chapter of "The White Hotel." And Ararat's twin peaks suggest the breasts of all the women that the male characters in "Ararat" keep compulsively seducing. (The story of Don Juan is another leitmotif that echoes endlessly in the novel.)

Such chains of association abound in "Ararat," by turns with wit and guilelessness, and sometimes both ways. One of the novel's dourdest jokes involves an unhappy old man that Victor Sunkov meets who turns out to have been at Babi Yar. Yes, the man sighs, and he was also involved in the Armenian holocaust. "In the province of Diarbekir we got rid of 570,000." Oh, and he "was also at such camps as Dachau, Birkenau, Belsen, Auschwitz, Sobibor, Maidanek, Treblinka. It was not easy." The name of this monster is Fim. Is this a grisly tribute to a non-Russian masterpiece to which "Ararat" also owes something of a debt — a work that created Fim again and again?

But I am making "Ararat" sound like a game within a puzzle. It is not. Its narrative is magnetic, not elusive. As it spins charges the air around itself and draws the reader irresistibly along. We are compelled to solve any riddles it creates, not out of bafflement but because of intense and pleasurable curiosity.

Christopher Lehmann-Haupt is on the staff of The New York Times.

DENNIS THE MENACE



"I WAS HAVING TOO MUCH FUN."

Solution to Last Week's Puzzle

SO, DOSSO ARDEN CANDO
THE RECENT ADORN RICHES
PEJULALIAN STERLING HED
MUDLAR MAIS HELL BAIN
JESTER JESTER JESTER
WADDELL GIBSON
OLDER SALT EGGERS
SCALLED VOID RIA
MILLAS PETERAP RIT
ADAY SEIZE IRE ONCE
HELL HELL HELL HELL
PENNY PENNY PENNY
EAGLE EAGLE EAGLE HED
TAKE IMA DEJA SUNDE
APPLAUS APPLAUS LOVING
TROTS TROTS TROTS
GROPS GROPS GROPS
DODGE DODGE DODGE

SO, DOSSO ARDEN CANDO
THE RECENT ADORN RICHES
PEJULALIAN STERLING HED
MUDLAR MAIS HELL BAIN
JESTER JESTER JESTER
WADDELL GIBSON
OLDER SALT EGGERS
SCALLED VOID RIA
MILLAS PETERAP RIT
ADAY SEIZE IRE ONCE
HELL HELL HELL HELL
PENNY PENNY PENNY
EAGLE EAGLE EAGLE HED
TAKE IMA DEJA SUNDE
APPLAUS APPLAUS LOVING
TROTS TROTS TROTS
GROPS GROPS GROPS
DODGE DODGE DODGE

Previous: 272.58

Next: 272.58

WEATHER

EUROPE

AFRICA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA

ARABIA

LATIN AMERICA

NORTH AMERICA

MIDDLE EAST

OCEANIA

ASIA</div

SPORTS

Palmer Cards 68 in Masters and Trails 3 Leaders by a Shot

By Gordon S. White Jr.

New York Times Service

JUGUSTA, Georgia — Arnie's Army

led at the first tee of Augusta Na-

tional Golf Club on Thursday and headed

behind its aging but popular leader on

a 6,905-yard march that had the

dreaming of a fifth Masters victory.

ain, thunder and a 40-minute suspen-

sion of play did nothing to dampen the

v's spirits or its leader's enthusiasm.

The 53-year-old Arnold Palmer re-

three consecutive birdies and shot a

par-par 68 in the opening round of the

Masters; his best round here in 18

was 73.

The course played as easy as it has ever

played because of no wind and the soft

greens," said Watson. Forty-one golfers,

or putt for a birdie at the 18th hole for

67. Morgan, who has never finished

or than a tie for 18th place in a Mas-

tered birdies on two of the last four

And Reimer, a slim California pro,

two eagles and a birdie in a three-fold

tch of the back nine on this windless

the time Palmer nudged up the hill

the 18th green for a finishing par 4, his

of followers had picked up so many

that Palmer called it "the most

I've seen on this golf course." And

this includes those huge galleries when

Palmer won the Masters in 1958, 1960,

1962 and 1964.

Palmer had lots of company at 68. One

was Severiano Ballesteros of Spain, the

1980 Masters champion, who kept his

driven in play. Another was Jim Halter, the

New England amateur champion, who

shot a 30-foot birdie putt at the 18th. Also

at 68 were Charles Coody, who bogeyed

the final two holes, and J.C. Sneed, who

bogeyed the last two.

Craig Stadler, last year's Masters

winner, needed only 10 putting on the back

as he shot 69 and tied with Bruce

Lietzke. Tom Watson was in a crowd at 70

and Jack Nicklaus, the five-time winner,

was at 73.

The course played as easy as it has ever

played because of no wind and the soft

greens," said Watson. Forty-one golfers,

or putt for a birdie at the 18th hole for

67. Morgan, who has never finished

or than a tie for 18th place in a Mas-

tered birdies on two of the last four

And Reimer, a slim California pro,

two eagles and a birdie in a three-fold

tch of the back nine on this windless

the time Palmer nudged up the hill

the 18th green for a finishing par 4, his

of followers had picked up so many

that Palmer called it "the most

I've seen on this golf course." And

he walked to the green for the tap-in putt,

the first loud clap of thunder resounded

over the course.

A member of Arnie's Army yelled to the

leader, "Ewan he's applauding you, Arnie."

Following that putt, play was halted.

When it resumed, Palmer equaled par on

the final two holes.

An older but equally skilled golfer,

the day was Sam Sneed, who said this

would be his last Masters, shot a 79 and

decided not to play in the second round.

"I'm headed down the road," said

Sneed, who is 70 years old and has won

70 Masters since 1957 when he played in the

third Masters.

When told of Sneed's decision to end his

Masters career, Palmer said, "I hope I'm

70 when I have that feeling."

Of his round Thursday, Palmer said, "I

suppose I have wondered if my game

would come back." He attributed much of

his recently improved game to a driver he

acquired in December. Newly designed,

the driver, according to Palmer, has given

him as much as 30 more yards off the tee.

"When the younger pros were going 20

and 30 yards beyond me, that really should

tell me something," Palmer said. "Now I'm

going beyond them."

The Augusta National calls for long

woods, and Palmer had not only the long

fairway woods. A 3-wood off the fairway

shot him up for a birdie at the third

birdie 4, 15 and 16. But his best scram-

ble came at 13, the final hole at Amen Cor-

ner, which starts at the 11th. His second

shot at the par-5, 465-yard, dog-leg 13, was

a 2-iron chipped into the lateral water hazard

at the 14th."

Sneed has now played in 45 Masters,

more than any other golfer, and has shot

146 Masters rounds of 18 holes, also a

record. He averaged 73.3 for those rounds

that began in 1957 when he played in the

third Masters.

When told of Sneed's decision to end his

Masters career, Palmer said, "I hope I'm

70 when I have that feeling."

Of his round Thursday, Palmer said, "I

suppose I have wondered if my game

would come back." He attributed much of

his recently improved game to a driver he

acquired in December. Newly designed,

the driver, according to Palmer, has given

him as much as 30 more yards off the tee.

"When the younger pros were going 20

and 30 yards beyond me, that really should

tell me something," Palmer said. "Now I'm

going beyond them."

The Augusta National calls for long

woods, and Palmer had not only the long

fairway woods. A 3-wood off the fairway

shot him up for a birdie at the third

birdie 4, 15 and 16. But his best scram-

ble came at 13, the final hole at Amen Cor-

ner, which starts at the 11th. His second

shot at the par-5, 465-yard, dog-leg 13, was

a 2-iron chipped into the lateral water hazard

at the 14th."

Sneed has now played in 45 Masters,

more than any other golfer, and has shot

146 Masters rounds of 18 holes, also a

record. He averaged 73.3 for those rounds

that began in 1957 when he played in the

third Masters.

When told of Sneed's decision to end his

Masters career, Palmer said, "I hope I'm

70 when I have that feeling."

Of his round Thursday, Palmer said, "I

suppose I have wondered if my game

would come back." He attributed much of

his recently improved game to a driver he

acquired in December. Newly designed,

the driver, according to Palmer, has given

him as much as 30 more yards off the tee.

"When the younger pros were going 20

and 30 yards beyond me, that really should

tell me something," Palmer said. "Now I'm

going beyond them."

The Augusta National calls for long

woods, and Palmer had not only the long

fairway woods. A 3-wood off the fairway

shot him up for a birdie at the third

birdie 4, 15 and 16. But his best scram-

ble came at 13, the final hole at Amen Cor-

ner, which starts at the 11th. His second

shot at the par-5, 465-yard, dog-leg 13, was

a 2-iron chipped into the lateral water hazard

at the 14th."

Sneed has now played in 45 Masters,

more than any other golfer, and has shot

146 Masters rounds of 18 holes, also a

record. He averaged 73.3 for those rounds

that began in 1957 when he played in the

third Masters.

When told of Sneed's decision to end his

Masters career, Palmer said, "I hope I'm

70 when I have that feeling."

Of his round Thursday, Palmer said, "I

suppose I have wondered if my game

would come back." He attributed much of

his recently improved game to a driver he

acquired in December. Newly designed,

the driver, according to Palmer, has given

him as much as 30 more yards off the tee.

"When the younger pros were going 20

and 30 yards beyond me, that really should

tell me something," Palmer said. "Now I'm

going beyond them."

said: "I feel like the gallery or Arnie's

Army or whatever you call it doesn't want

to see me play poorly, and I don't want to

play poorly. I owe something to those people

who are great fans. I certainly draw

encouragement from them."

■ Rain Postpones 2d Round

The second round of the Masters golf

tournament was postponed until Saturday

and possibly Sunday after three hours of

heavy rain Friday. United Press Interna-

tional reported. The rain was forecast to

continue most of the day.

Hord Hardin, the tournament chairman,</div

ART BUCHWALD

Is Paris Ever Burning?

WASHINGTON — "Is Paris burning?" You bet your sweet croissant it is.

President François Mitterrand, in order to get his financial house in order, has just issued the most controversial edict since he took office. He has told the French that if they want to leave the country on vacation they may take the equivalent of only about \$427 with them, and they can't use their credit cards outside France's borders.

This is the equivalent of pulling an Iron Curtain down on French tourists who, contrary to myth, are far more passionate about their vacations than their love affairs.

I just received a letter from a Parisian friend.

Cher Ami,

You have probably read by now that our crazy French president has made it impossible for us to leave the country for vacations.

Until his proclamation, our main concern was the placement of American missiles on the Continent. Now our only worry is how we can get out of France in the summertime.

Everyone knows the one thing that makes the Frenchman happy is to travel abroad to see how primitive other cultures are. Once we taste their food and drink their wine, we come home reinforced in our belief that France is still the only civilized nation in the world.

Besides, a trip outside the country is the only opportunity we have to get away from foreign tourists who make our lives so miserable by telling us how happy they are that the French franc is so weak and that Paris is once again the tourist bargain it was.

I am not saying the French are not to blame for this sad state of affairs. We all voted for Mitterrand because we were bored with watching Giscard d'Estaing on television. Mitterrand said he was going to do a lot of stupid things, such as nationalizing all the banks and the industries, which sounded like good fun at the time. But he never said anything about only letting us take the equivalent of \$427 out of the country for our vacations.

Had he mentioned this just once in his campaign, he wouldn't even

have won the votes of his own family.

When I told Giselle that we couldn't go to England for our holidays, she was grief-stricken. Giselle hates the English and was looking forward to spending four weeks there, so she could show the children how miserably the British live, how awful the weather is and how fortunate they are to be French.

My brother Gérard had already made his reservations for Portugal this summer, just to let the family see how bad European plumbing really can be.

Uncle Jacques was prepared to go to Switzerland, which he despises, but considers the perfect vacation spot because it is the dullest place in Europe. When he returns to the madness of Paris, he feels like a new man.

Now our entire family must cancel their plans and find a place in France for our holidays, which is impossible because nobody expects the French to stay home this summer.

The reason I am writing to you at this time is that if you had any plans to come to Paris this year, please let me know. Do not bring any money with you. I will be happy to supply you with all the French francs you need at a very good rate.

If you spend enough money here I could come to the United States and you could repay me in dollars without that idiot Mitterrand being any wiser.

I must be honest with you. America was not my first choice, particularly since Giselle is afraid the children will have a good time and spoil the vacation for all of us. But we will have to take this chance just so we can get out of the country for a few weeks.

If you weren't planning on coming here, I urge you to do so. If Mitterrand does not rescind his order by Aug. 1, you could be a witness to the second French Revolution.

Last week 10,000 people marched to the Ministry of Finance gates shouting "Vaccances, libérez," and do you know what Mitterrand said when he heard the noise? He said, "Let them eat cretins."

Had he mentioned this just once

in his campaign, he wouldn't even

have won the votes of his own family.

Washington Post Service

Alec Guinness: The Ultimate Character Actor

By Peter Osnos

Washington Post Service

LONDON — Sir Alec Guinness, slippery chameleon of the screen, flops his legs over the side of an armchair in a strikingly boyish way. He is 69 years old, and his conversation is animated and good-humored. His face has the manner and presence of a private man, but not a timid one.

"With hindsight," he says in his suite at the Connaught Hotel, "I know I've been an actor since the age of 4. I can't imagine being anything else. In fact, I've been very lucky. I don't know whether I'd like to be an unlucky actor."

"I just enjoy acting, finding a different personality. I think I had a lonely — well, I jolly well know I did. I had a lonely childhood, apart from school days. And I've always maintained that actors are kind of undeveloped adolescents for the most part. They've got stuck emotionally and spiritually at 15 or 16. So I'm not seeking fame or indeed, money particularly. I would just love to give one performance that I could never think of. Well, they could never think of that!"

His modesty is appealing and has the ring of sincerity — yet with an actor as good as Guinness, how can you really tell?

Nearly 50 years into his career and still in top form, Guinness is the ultimate character actor.

Comedy to tragedy, leading man

to walk-on, the range of his portraiture in movies and on the stage is vast: Hamlet, Richard II, and III, Fagin, Disraeli, Pope Innocent III, eight different parts in "Kind Heart and Coronation," Colonel Nicholson in "The Bridge on the River Kwai" (for which he won an Oscar), Marcus Aurelius, the mysterious Yefim in "Doctor Zhivago," Hitler, Obi-Wan Kenobi in "Star Wars," John le Carré's enigmatic spy Smiley and, most recently, Freud in Marshall Brickman's "Loewick" — to name just a handful.

But even a dedicated Guinness fan is unlikely to know much about the man himself. There is no firm public image, no controversy; just scores of brilliant portraits that tell next to nothing of him, but a great deal about the

character he is playing. He has been married to the same woman for 45 years, and they lead a retiring life on 10 acres in the Hampshire countryside. He abhors parties. Because his own person never gets in the way, Guinness seems able to be pretty much whatever he chooses.

"He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity... The whole presence of the man is guarded and evasive. Slippery sums him up; when you think you have him, ed-like he eludes your grasp....

He is a master," the late critic Kenneth Tynan wrote of Guinness in 1953, "a master of anonymity...